

Exhibit A

EXPERT WITNESS REPORT OF
Michael Plummer

July 8, 2014

Presented in:
CITY OF DETROIT, MICHIGAN, Debtor
Chapter 9
Case No. 13-53846

In the United States Bankruptcy Court
Eastern District of Michigan
Southern Division

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I. Scope of Opinion and Disclosures Required Under Rule 26(A)(2)(B)

1. I have been retained by Cravath Swaine & Moore LLP on behalf of its client The Detroit Institute of Arts ("DIA") and by Jones Day LLP on behalf of its client The City of Detroit, Michigan (together "Counsel"), in connection to the matter that is the title of this report.
2. Counsel has asked me to form an opinion with respect to the following:
 - a) The indicative value of the works in the DIA Collection
 - b) The feasibility and likely effects on the market and value realization of a sale of the DIA collection under a variety of market and sale conditions
 - c) Creditor-proposed sales of the DIA's collection, including analysis of certain third-party indications of interest
 - d) Monetization alternatives described in Christie's report to the City of Detroit
 - e) Infirmities in any rebuttal expert reports, which I will address in any supplemental report as necessary
3. In addition, this report contains a summary of the information that I relied upon in the development of my opinions and a statement of qualifications. My opinions, detailed herein, are based upon the data and other information available to me as summarized in this report.
4. A detailed list of the sources of information relied upon is presented in Exhibit A.
5. My curriculum vitae and lists of recent testimony, publications and relevant presentations are presented in Exhibit B.
6. Exhibits D through F are additional sources, tables and calculations that I have relied upon.
7. Artvest Partners LLC is compensated at a fixed fee of \$112,500 for preparation of this report, and \$6,000 per day (or \$3,500 per half day) for expert witness testimony at deposition or trial.
8. I reserve the right to supplement and/or revise my report if additional information becomes available and to prepare and present an additional report in reply to any expert report proffered in response to this report. I also may be asked to testify at deposition and trial.
9. I reserve the right to use any charts, tables or graphs contained in this report as demonstrative exhibits to support my testimony at deposition or trial.

II. Qualifications

10. I have extensive experience in the field of analyzing art market economics, valuations, patterns and behavior. My advisory experience encompasses a broad range of constituents in the art market: clients (including buyers and sellers of fine art), auction houses, dealers, collectors and investors.
11. I am a Principal of Artvest Partners LLC.
12. Artvest Partners LLC is an advisory firm in the art market that advises private clients, art professionals, and Fortune 500 corporations on art values, projections of market performance, art acquisitions and dispositions, as well as best business practices. Additionally, we broker art loans for clients.
13. I received a Bachelor of Science Degree in Economics at The Wharton School of the University of Pennsylvania.
14. I was employed for fifteen years at Sotheby's, my final position was Vice-President, Head of Marketing for North and South America and Asia.
15. I was employed from 2007 through 2009 at Christie's as Senior Vice President and Chief Operating Officer of Christie's Financial Services to launch a new business entity to provide art loans and art investment funds to its clients.
16. I have published *Artvest Partners, Market Analysis, September 2010; Artvest Partners Market Analysis, Winter-Spring 2012 With a Special Focus on Asian Art; Artvest Partners Market Analysis, Fall 2011; Citi Research Equities Report, Sotheby's, 18 October 2011; and Citi Research Equities Report, OC's Hammer time: Art Auction Primer 101, 24 April, 2013.*
17. I am a co-founder of the Art Investment Council, a section 501(c)(3) not-for-profit corporation formed to promote best practices and greater transparency in the Art Market.
18. In addition to being quoted in and advising on numerous articles in the *New York Times*, *The Wall Street Journal*, and *The Art Newspaper*, as well as providing on-air commentary on *Fox Business*, I have lectured and been on panels for continuing education courses and graduate-degree programs at NYU, The Appraisers Association of America, Sotheby's Institute and Christie's Education on the subjects of art market performance, trends, economic factors, investment practices and structures, as well as liquidity and valuation in an opaque market.
19. With the aforementioned education, training, and experience, I am well qualified to offer opinions regarding the disputes identified in this matter.
20. My Curriculum Vitae is located in Exhibit B to this report.

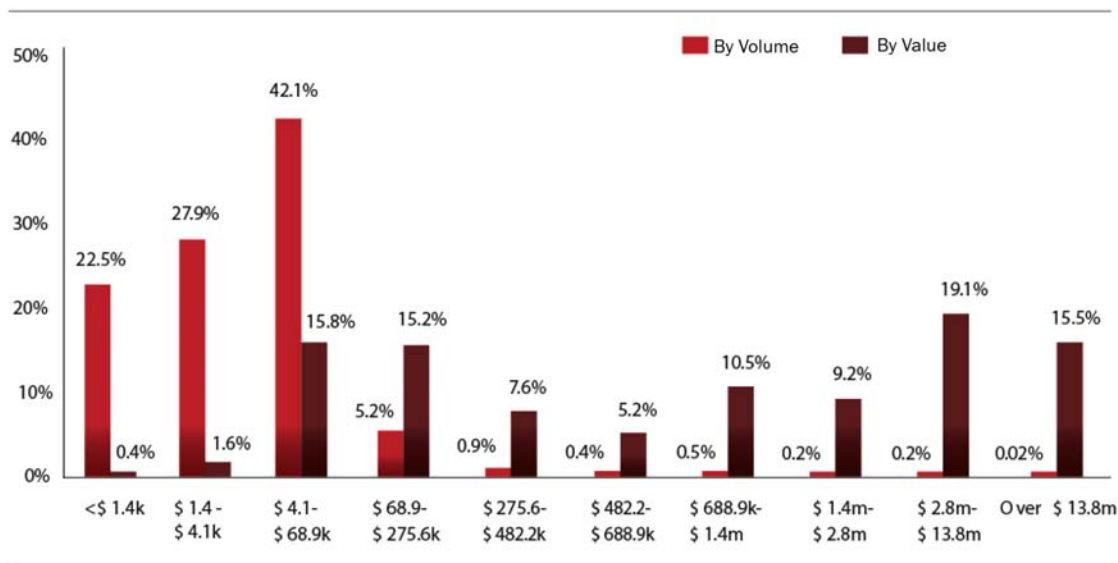
III. General Art Market Issues

21. In this section, I will provide context by describing issues and dynamics currently at work in the art market in general, outline trends and patterns that will affect any decision to sell into the current marketplace and the estimate of values placed on the works before they are sold, as well as conditions for the evaluation of a selling strategy that is undertaken either to maximize value or to find quick liquidity. Much of the information below is based on my own research, as well as the *TEFAF Art Market Report 2014*, prepared by Clare McAndrew, an analysis issued annually by The European Fine Art Foundation (“TEFAF”) that tracks global art activity. For the sake of consistency, values in that report have been converted into dollars for the purposes of this report.

22. Value in the art market, in museum and private collections, as well as in annual turnover in fine and decorative art sales, is concentrated in a small number of rare, high-quality items, whereas the vast majority of items in circulation in the art market are low in value. At the higher end of the market, works over \$14 million account for only 0.02% of items sold, yet these are the prices one hears of regularly in press reports. Works sold for over \$1.4 million account for 43.8% of the value but only 0.42% of market volume.

- a. 50.4% of transactions are below \$4,100 and 92.5% of transactions are below \$69,000

CHART 1

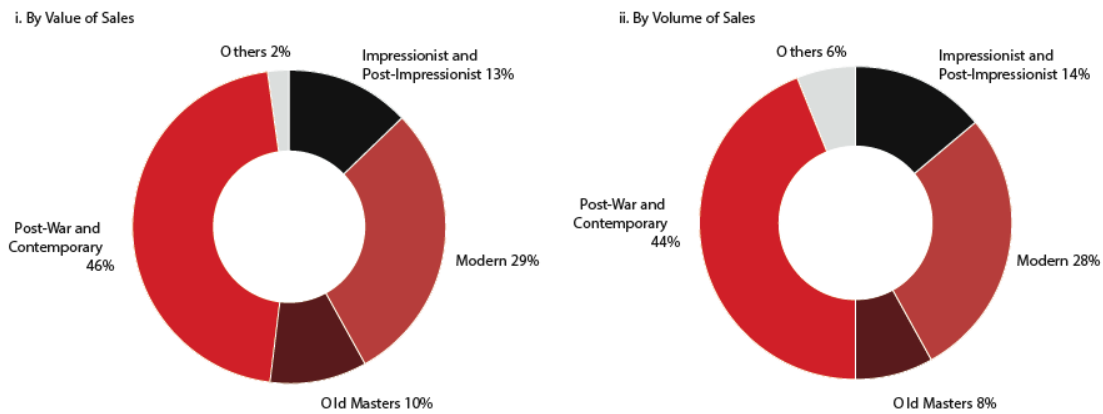


Source: Arts Economics (2014) with data from Artnet and AMMA (All values converted from Euros to Dollars)

23. Four sectors of the fine art market constitute 98% of the value of the fine art market: European Modern Art, Impressionist and Post-Impressionist Art, European Old Master Paintings, and Post-War and Contemporary Art. Of these four sectors, three have declined in value since 2011.

a. Market Share by Sector of the Fine Art Auction Market

CHART 2

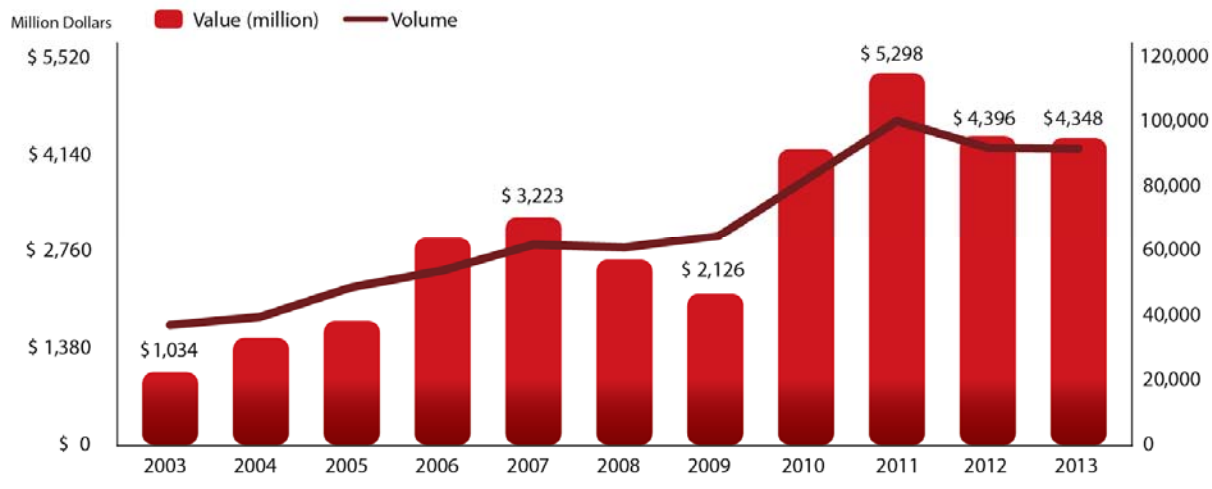


© Arts Economics (2014) with data from Artnet

b. The European Modern Art Auction Sales 2003 to 2013

CHART 3

The Modern Art Sector: 2003 to 2013

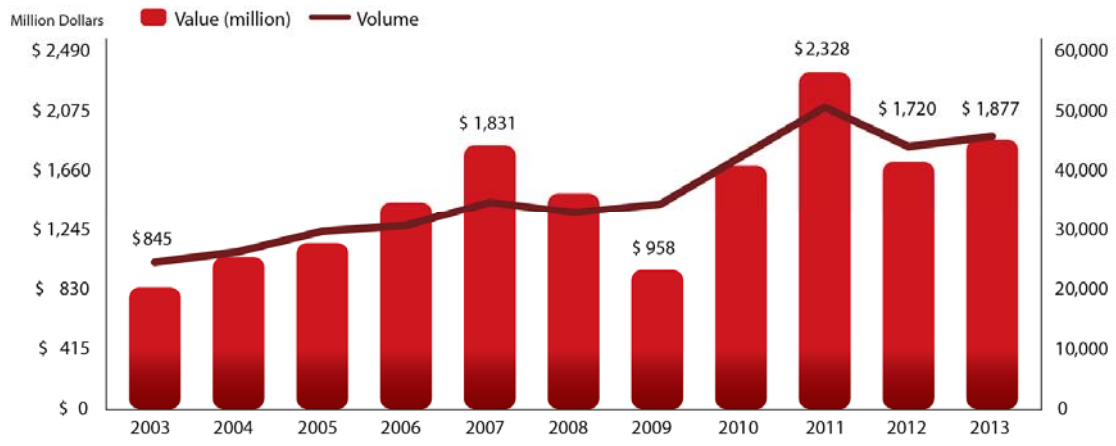


© Arts Economics (2014) with data from Artnet

c. Impressionist and Post-Impressionist Auction Sales 2003 to 2013

CHART 4

Impressionist and Post-Impressionist Auction Sales 2003-2013

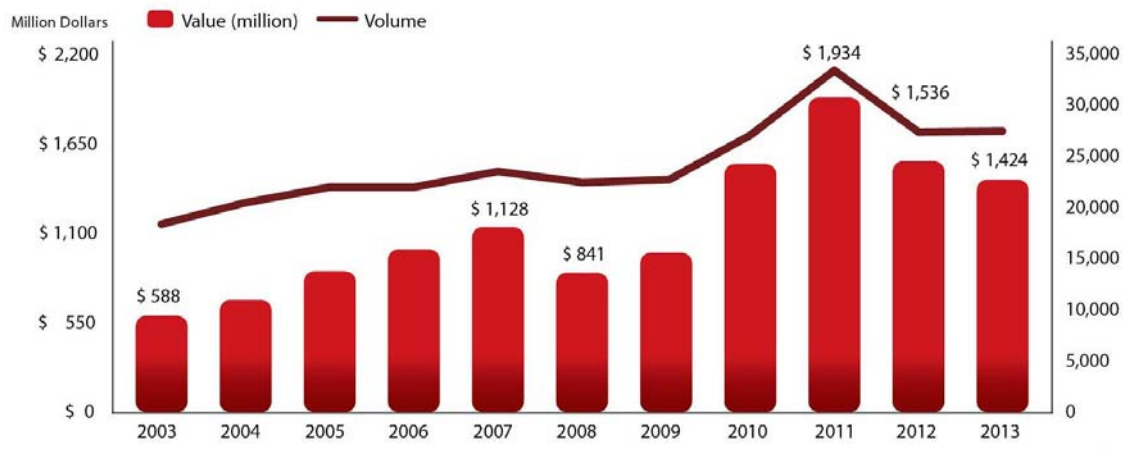


© Arts Economics (2014) with data from Artnet

d. European Old Master Painting Sales 2003 to 2013 (*Primarily referred to in the DIA collection as European Paintings*)

CHART 5

Old Master Painting Sales 2003-2013



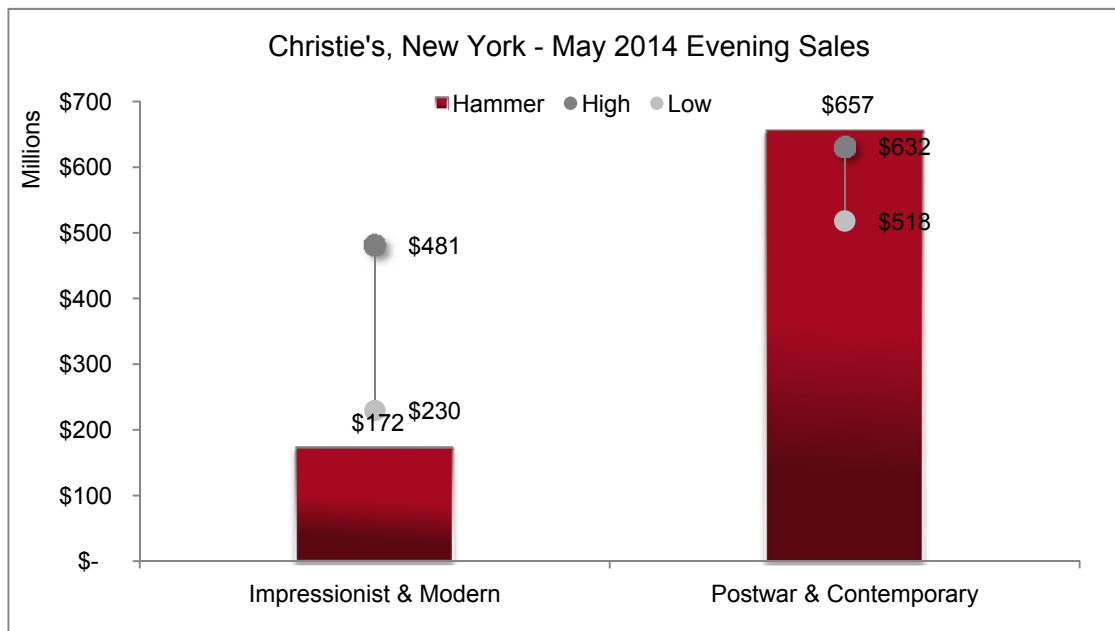
© Arts Economics (2014) with data from Artnet

24. While record prices have been set and growth has been significant in the Post War and Contemporary (“PWC”) sector, other sectors of the art market have been stagnant, and, as mentioned above, some have posted declines in turnover in the last two years.

a. The differences can be seen in the two most recent evening auctions at Christie’s this past May. Both the Impressionist & Modern Paintings and PWC sale had significant and

desirable works of art with many that had not been on the market for decades, yet the Impressionist & Modern paintings sale still performed below expectations and estimates, while the PWC sale exceeded its estimate and had a meaningfully lower rate of unsold items. European Old Master Paintings, 19th Century Art, American Art and pre-20th Century Art are currently manifesting the same pattern of unevenness as this recent Impressionist & Modern Art at Christie's (*refer to Paragraph 37. below*).

CHART 6



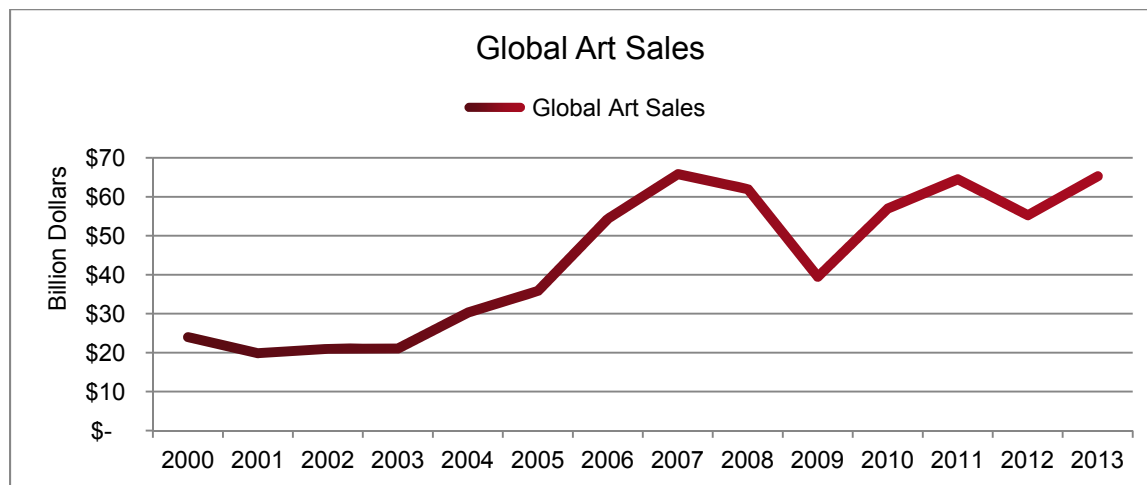
Source: Artvest Partners based on Christie's Auction Data

25. With the exception of the PWC sector, the remainder of the art market has plateaued and will rise and fall from year to year within a range of 10% or so, continuing along the lines of its performance since 2011.

a. In such a market where prices and sales volumes are not appreciating quickly, selling at or below the low estimate is more the norm, and selling at the higher end of the estimate range becomes an anomaly. In times like this, art industry professionals tend to peg their expectations on the lower range of an estimate. The example above, Chart 6, is a case in point: the PWC Evening Auction, in a sector where prices are still rising, exceeded its high estimate. The Impressionist & Modern sale, in a sector where prices are stagnant, fell below its low estimate.

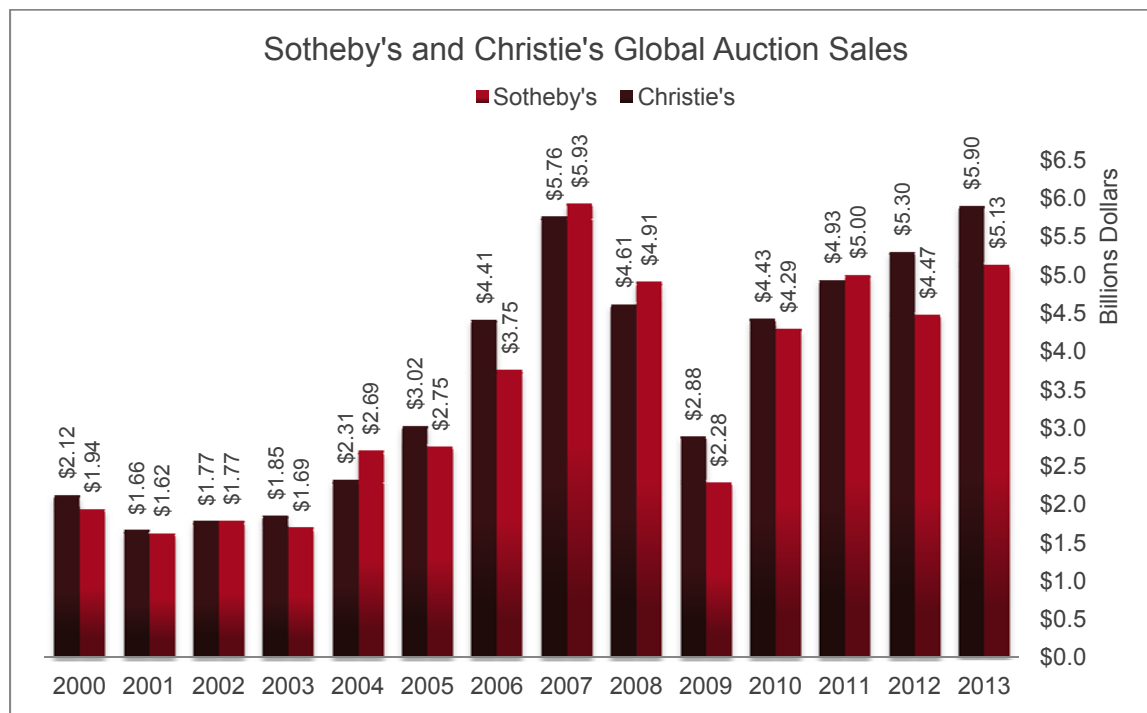
b. The significant growth in the size of the art market from 2002 – 2011 is a once in a life-time event (due to the sudden addition to the global art economy of Russia, China, India and other countries that previously had not been active art collectors). This burst of growth is not likely to be repeated over the next five years. In fact, with growth now concentrated almost exclusively in the PWC sector, I estimate that excluding a price disruption in this sector (see below), growth of the art market will remain choppy over the near to mid-term in all other sectors other than PWC.

CHART 7



Source: Arts Economics (2014) (All values converted from Euros to Dollars)

CHART 8

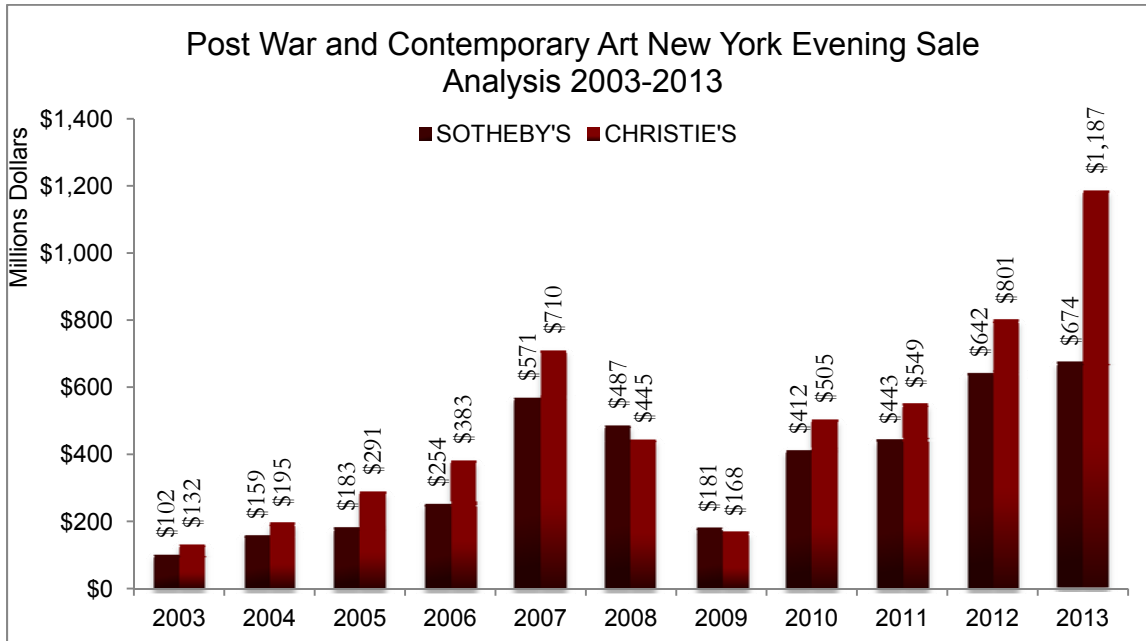


Source: Arts Economics (2014) (All values converted from Euros to Dollars)

26. As a consequence of this heightened focus of collectors on the PWC sector, I believe the sector could soon be reaching a “breaking point,” as historically it is the most volatile sector of the art market and prone to crashes, such as in 1990 and 2008/9. Its growth in value over the last ten years has been unprecedented. In the market crash of 2008, the PWC sector lost both half of its value and half its sales volume. The growth in prices and values is more concentrated at the highest end of the market, namely at Evening Auctions at Sotheby’s and Christie’s. Such an unsettled market would need to be taken into account in any liquidation strategy developed for the sale of the Contemporary Art given the value of its holdings relative to the size of this sector of the market.

a. Ten Years of Post War & Contemporary New York Evening Auction Results

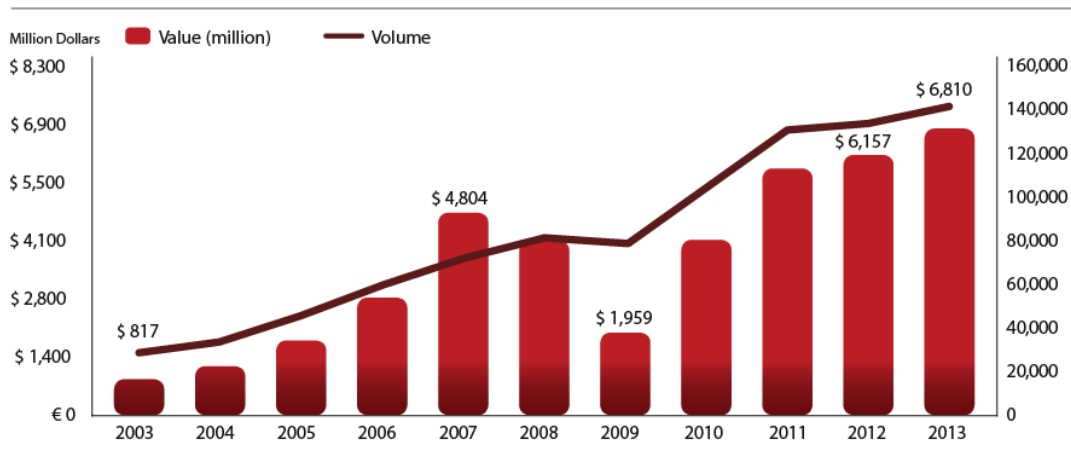
CHART 9



Source: Artvest Partners based on data from Sotheby's and Christie's

b. Growth of the Post-War and Contemporary Art Sector, Auction and Private Sales, 2003 to 2013

CHART 10



Source: Arts Economics (2014) with data from Artnet and AMMA (All values converted from Euros to Dollars)

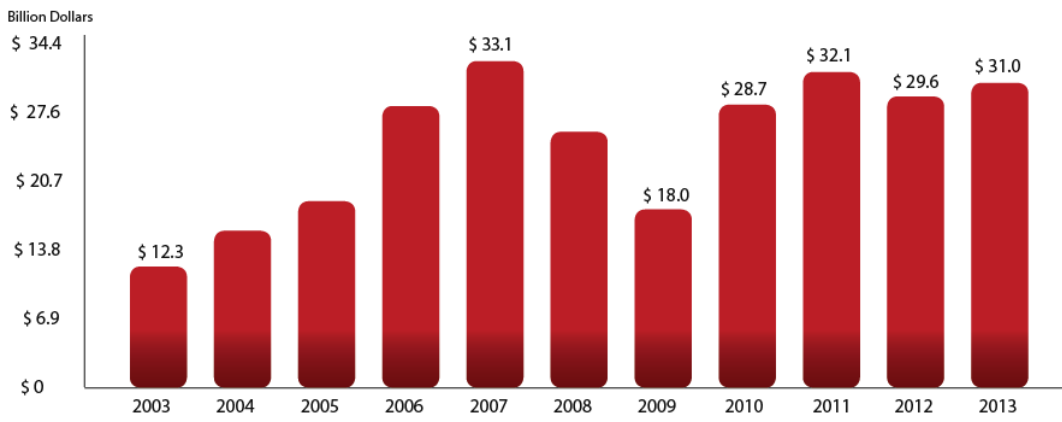
c. Yet another sign that the PWC sector has reached a peak is that a number of notable collectors, who are known for their art market savvy and access to inside information, seem to be cashing out on important works in this market, suggesting that they too feel the market may have reached a high that might not be sustainable:

“This spring, although most sellers are not revealed in catalogs, dealers familiar with their collections say David Ganek, the former hedge fund manager, is believed to be parting with a Twombly and a Warhol; Peter M. Brant, the newsprint magnate, is selling canvases by Basquiat and Haring; Steve Wynn, the casino magnate, a de Kooning; and Ronald O. Perelman, the New York investor, a Rothko.” (*The New York Times, The Rush for Deals Before Top Art Goes to Auction*, Carol Vogel, May 4, 2014.)

27. When a market sector or the entire market “crashes,” as it did in the Autumn Season in 2008, it creates an illiquid marketplace where values often fall by as much as 50%, and property, especially that of the highest caliber, becomes either difficult to sell, and/or sells for a fraction of its previous value. From the previous market peak in 2007, to its nadir in 2009, the fall in sales was 54.6%.

a. Total Global Fine and Decorative Auction Sales 2003 to 2013

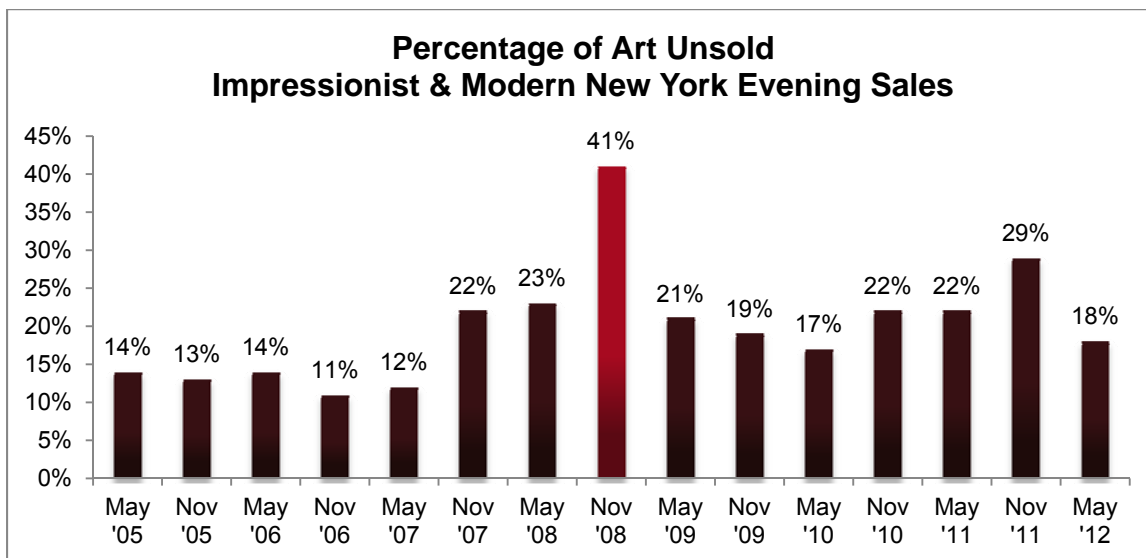
CHART 11



Source: Arts Economics (2014) with data from Artnet and AMMA (All values converted from Euros to Dollars)

b. In November of 2008 and into early 2009, art market sales came to a hard stop until prices adjusted downward radically for the Spring Sales in 2009. Note below that the unsold rate tripled from its previous norms prior to 2007.

CHART 12



Source: Artvest Partners based on data from Sotheby's and Christie's

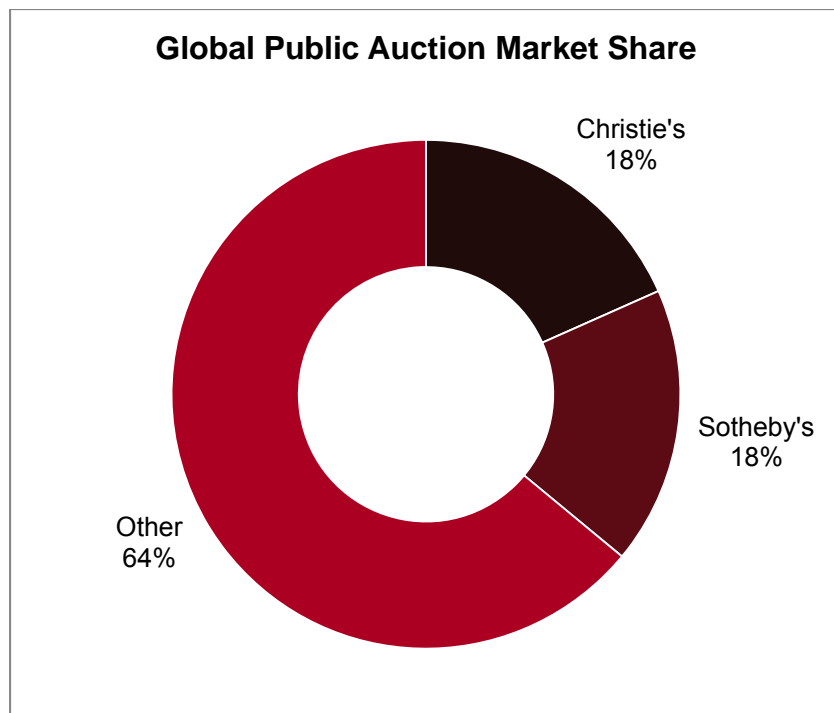
28. Public Auction vs. Private Sale: While the Private Sales and Dealer Activity constituted 53% of global sales volume in 2013 (TEFAF Art Market Report 2014, prepared by Clare

McAndrew), this is the least transparent segment of the art market. Consequently, it is generally true that any art sale resulting from a court action is almost exclusively conducted through public auction. This is the preferred and most common method of sale for estate liquidations, criminal cases, tax liens, bankruptcies and other legally mandated sales of arts and antiques.

29. At the higher end of the market, Sotheby's and Christie's are the preferred venue for selling to achieve maximum sales value, as they have the greatest global reach amongst collectors and control over a third of the international auction market.

- a. With 36% of share of Global Art Sales overall. Sotheby's and Christie's dominate the art auction market at the high-end.

CHART 13



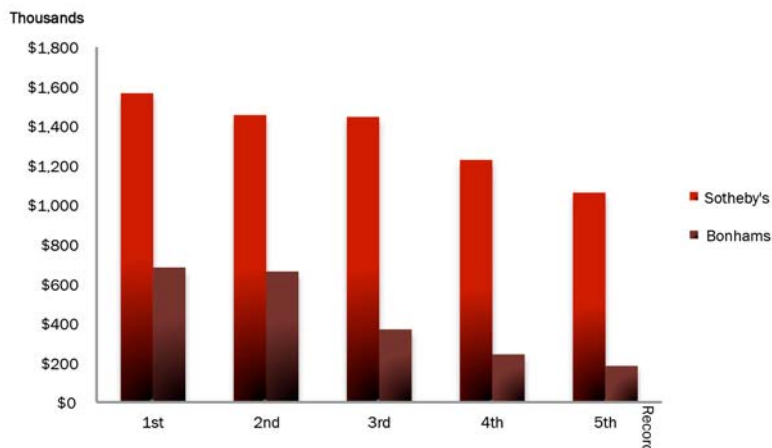
Source: Arts Economics (2014) with data from Artnet and AMMA
(All values converted from Euros to Dollars)

- b. Examples of high-end artist by sector which are indicative of the price performance differential at Sotheby's or Christie's versus second tier auction houses such as Bonham's or Phillip's:

Example A: Top five prices for William Godward (19th Century Sector) at Sotheby's versus Bonham's, a differential ranging from 54.3% to 82.7%.

CHART 14

William Godward (19th Century) Top Auction Prices Achieved

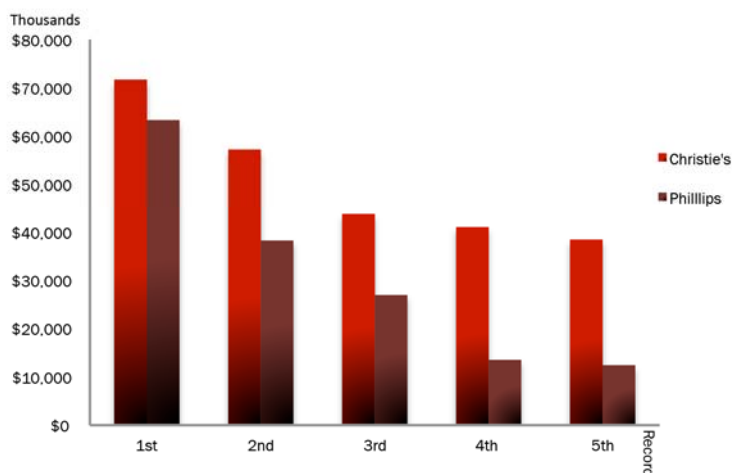


Source: Artvest Partners based on data from Sotheby's and Bonham's

Example B: Top Prices for Andy Warhol (PWC Sector) at Christie's vs. Phillips, a differential ranging from 11.7% to 67.7%.

CHART 15

Andy Warhol (Post-War) Top Auction Prices Achieved



Source: Artvest Partners based on data from Christie's and Phillip's

Example C: Top Price Comparison for Picasso (Impressionist & Modern Sector) at Sotheby's vs Bonham's: In a search on artnet of the top hundred prices by this artist's works at auction at all four houses, none appeared to have been sold at either of the

second tier houses, and Sotheby's and Christie's hold a complete duopoly on the higher priced works by this artist. In the late 1990s and early 2000s, Phillips did attempt to enter this market, but quickly pulled out, unable to compete.

c. Implicit in any auction sale of a multi-million dollar work at Sotheby's and Christie's is a five-year guaranty on authenticity. Second tier houses offer this guaranty as well, but when a collector is buying a work in excess of \$10 million or \$20 million, there is added confidence in the depth of the balance sheet at the two big firms, that at that level of purchase, those firms will have the balance sheet liquidity to take back a \$100 million Picasso, for example, should it in some way not be what it is reputed to be. This is an overlooked and contributing factor to their sustained dominance at the high-end.

d. The power of the duopoly at the higher-end was fully demonstrated when in February 2009, Pierre Berge, the owner of Pierre Berge Associés, an auction house in Paris, decided to sell the collection that he and Yves St. Laurent had acquired at an auction at Christie's, rather than through his own auction house. The sale earned €373,935,500.

IV. Evaluation of the Collection of the Detroit Institute of Arts

30. I am comfortable with Christie's approach and valuation of the works with a City of Detroit ("COD") attribution and believe that it is a useful sample and window into the evaluation of the entire DIA collection and appropriate to include within my own analysis of the value of the DIA collection.

31. In order for Artvest to prepare an evaluation of the entire DIA collection in such a limited time, I approached the collection as four distinct groups of property. Though I included the Christie's appraisal in my evaluation, I regrouped the COD works from their Phases 1, 2, 3 into bands of value to create a more functional grouping for my analysis:

Group 1: High Value COD works that were appraised by Christie's for greater than \$750,000 (68 items)

Group 2: COD works appraised by Christie's of lower value, that under \$750,000, including property for which they assigned limited or no value (1,654 with value, 1,038 with limited to no value, and 13 that were combined in Phase III): Total COD appraised or reviewed items by Christie's was 2773.

a. For both categories (except for that of minimal value), Christies' provided a low and high estimate of value determined by comparing the appraised object to marketplace comparables, or as they refer to it, "the market data approach,' which compares the subject work to similar works and makes appropriate adjustments," for which I understand them to mean adjusting for differences in quality, size, medium, rarity, authenticity, desirability and to the extent known, condition.

b. It is important to point out that, as they state in their letter of December 17, 2013 to Kevyn Orr, Christie's "made no assumptions about the sales process, nor did we take into consideration any commissions, buyer's premiums, or potential financial agreement between the buyer, seller and/or venue that would affect the price realized. And as we agreed, we have not assumed any volume discounts."

c. In Sections V and VI of this report, I undertake to evaluate these key issues pertaining to the potential liquid value of the DIA collection that were not part of Christie's remit, as they are critical elements in evaluating the results of either a partial or full liquidation of the DIA.

TABLE 1

	Object	Low Estimate	High Estimate	Mid Estimate
High Value COD Works Greater Than \$750,000	68	427,200,000	812,600,000	619,900,000
COD Works lower than \$750,000	1654	27,077,995	54,397,240	40,737,618
Subtotal	1722	454,277,995	866,997,240	660,637,618
COD Works that Christie's found to be of insignificant value to conduct an appraisal	1038	0	0	0
TOTAL Christie's Appraisal	2760	\$454,277,995	\$866,997,240	\$660,637,618
Other COD property	13			
TOTAL COD Property	2773			

32. In addition to the Christie's appraised COD works, I conducted an evaluation of the remaining items in the DIA collection in the following manner:

Group 3: High Value, non-COD works in the DIA collection, contained on a list provided by the DIA of works that the DIA valued for insurance purposes or otherwise of \$1,000,000 or more, totaling 350 works. (It should be noted that in some instances my own evaluation found some of these items to be of a value less than \$1,000,000.)

Group 4: Based on a tour of objects on view in Museum in June 2014, another 73 works I determined to be High Value, which are likely to have values in the range of \$750,000 or higher. As these were discoveries late in the process, I have put an approximate valuation on these items and will provide a fuller evaluation and documentation in a supplement to this report.

a. For Group 3 and Group 4, I conducted an evaluation using the same methodology as Christie's, that is, looking at pricing "that compares the subject work to similar works and makes appropriate adjustments" in value based on size, shape, visual impact, subject matter, condition, medium, complexity, period in the artists or craftsman career, desirability in the marketplace, scarcity and other factors depending upon the sector or type of art.

b. Artvest conducted the initial pricing research and created a source database of comparables and other records, then shared that with the Consulting Specialists, who then did supplemental price searches and other research. After that, the Consulting Specialists viewed the work, either in person or through a high resolution image, and set values which were then reviewed, discussed and finalized with me. The Curricula Vitae of the Consulting Specialists are attached.

Group 5: Balance of the Collection. The balance of the DIA's collection was evaluated by sector using the sample valuation data of the COD works appraised by Christie's with a low value of at or below \$750,000, and applying an average price, sector by sector, based on that data.

c. To the extent of this methodology has a bias, I believe that it is likely to overstate the value of the DIA collection. COD works were most likely "strategic" purchases to raise the profile of the DIA. General gifts and other museum acquisitions often involve property with little to no sales value and/or scholarly or historic value only. Also, in many instances, donors give entire collections, which include poor to mediocre property side-by-side with good property.

d. For property with a value below \$5,000 I attributed an effective value of \$0, as it is my opinion that the cost of cataloguing, handling, administering and finding buyers for this property will be equal to or greater than the cost of selling it. For that reason, this is a price-level of property that Sotheby's and Christie's, under normal circumstances, try to avoid selling.

Totals: Groups 1 through 5 combined by Sector for a total value of the DIA collection, without accounting for limitations or clouds on title, limitations in the market on the sale of the works, or any of the discounts described in the next section of this report, for total estimated gross sales value of the DIA holdings.

TABLE 2

	Object	Low Estimate	High Estimate	Mid Estimate
Artvest Evaluation, Works Greater Than \$750,000	350	1,569,355,000	2,290,085,000	1,929,720,000
Additional 73	73	80,415,000	164,130,000	122,272,500
Subtotal Artvest High Value	423	1,649,770,000	2,454,215,000	2,051,992,500
Remaining DIA	57,181	656,930,437	1,286,741,464	971,835,951
Total Artvest Evaluation	57,604	2,306,700,437	3,740,956,464	3,023,828,451
TOTAL COD Property	2773	454,277,995	866,997,240	660,637,618
TOTAL DIA Collection	60,377	\$2,760,978,432	\$4,607,953,704	\$3,684,466,069

33. To ensure objectivity, Artvest did not interact with the Museum staff directly but rather communicated only through DIA Counsel.

Key notes to the Evaluation

- 1) *Modigliani paintings not in Ceroni catalogue.*
In several instances, both in the Christie's appraisal and in the Artvest evaluation, there are works that were thought to be by Modigliani which are not mentioned in the most trusted resource for authenticity. Thus I have attributed zero to minimal value.
- 2) *The Diego Rivera Murals.*
While these are incredibly rare, historic and significant works of art, they are frescos applied directly to the walls, so they cannot be removed with cutting them off the wall and inflicting serious damage, and incurring significant cost. Additionally as they were recently designated a National Historic Landmark in April of this year, it is hard to imagine how such removal could be done without serious backlash.
- 3) *Potential for Likely Re-attribution.*
In a number of instances, particularly with the Old Masters paintings, we are assuming the Museum's attribution is correct. It is entirely possible that during the process of more in depth cataloguing for a sale, that such attributions could be challenged, significantly lowering values.
- 4) *"A Once-in-lifetime sale."*
The Brueghel, the Gates of Ishtar, and a number of other objects in the DIA collection have not had comparables that have come on the market in seventy to a hundred years. We have made a good faith effort, and it appears that Christie's has as well, to provide estimates, but finding works of similar importance in these areas is not possible.

TABLE 3
Artvest Evaluation of DIA High Value Works

See Exhibit G

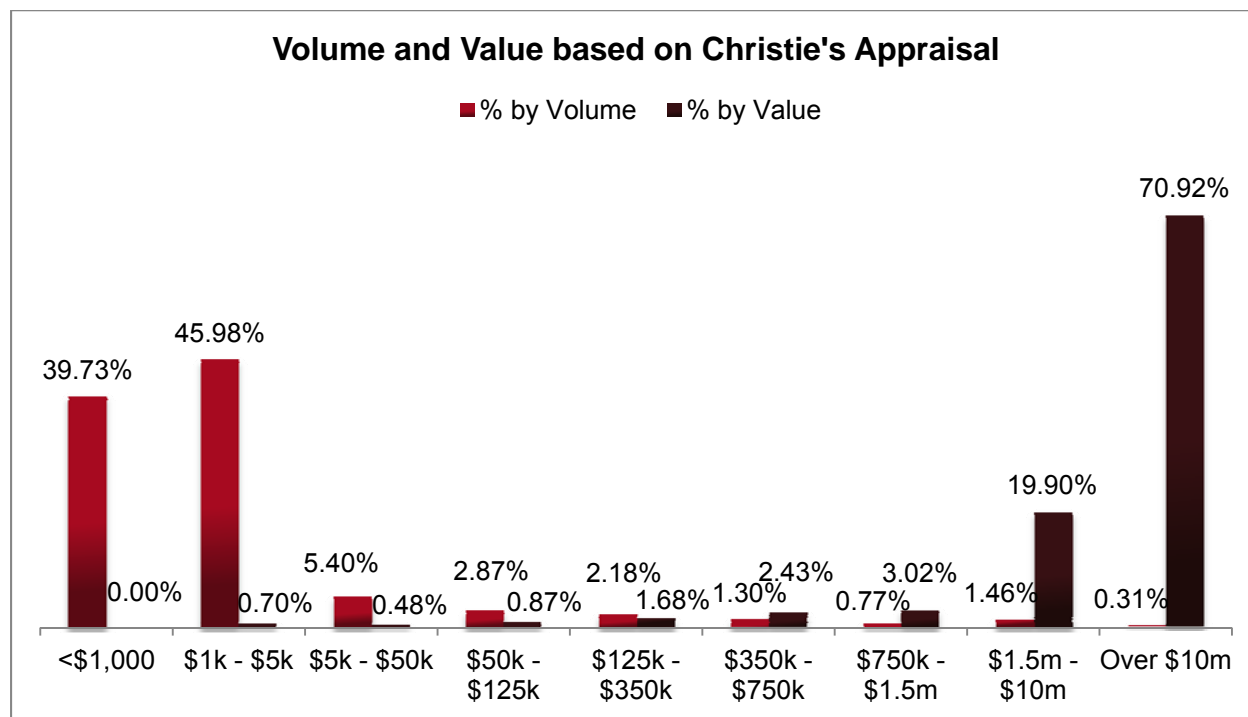
V. DIA-Specific Market Issues Affecting Selling Strategy & Value

34. As Christie's mentioned in its letter of December 17, 2013, in its appraisal of COD works, it "made no assumptions about the sale process." Though instructed to evaluate the collection in this fashion, such an omission is a missing key element in any attempt to find a real, net liquid value of the DIA collection should it be required to be sold. In this and the following section, I address and quantify these matters.

35. In relation to the extreme value distribution in the general art market in annual sales turnover (refer to General Art Market Conditions, Opinion 1), the COD works in the DIA collection have an even greater polarization in value.

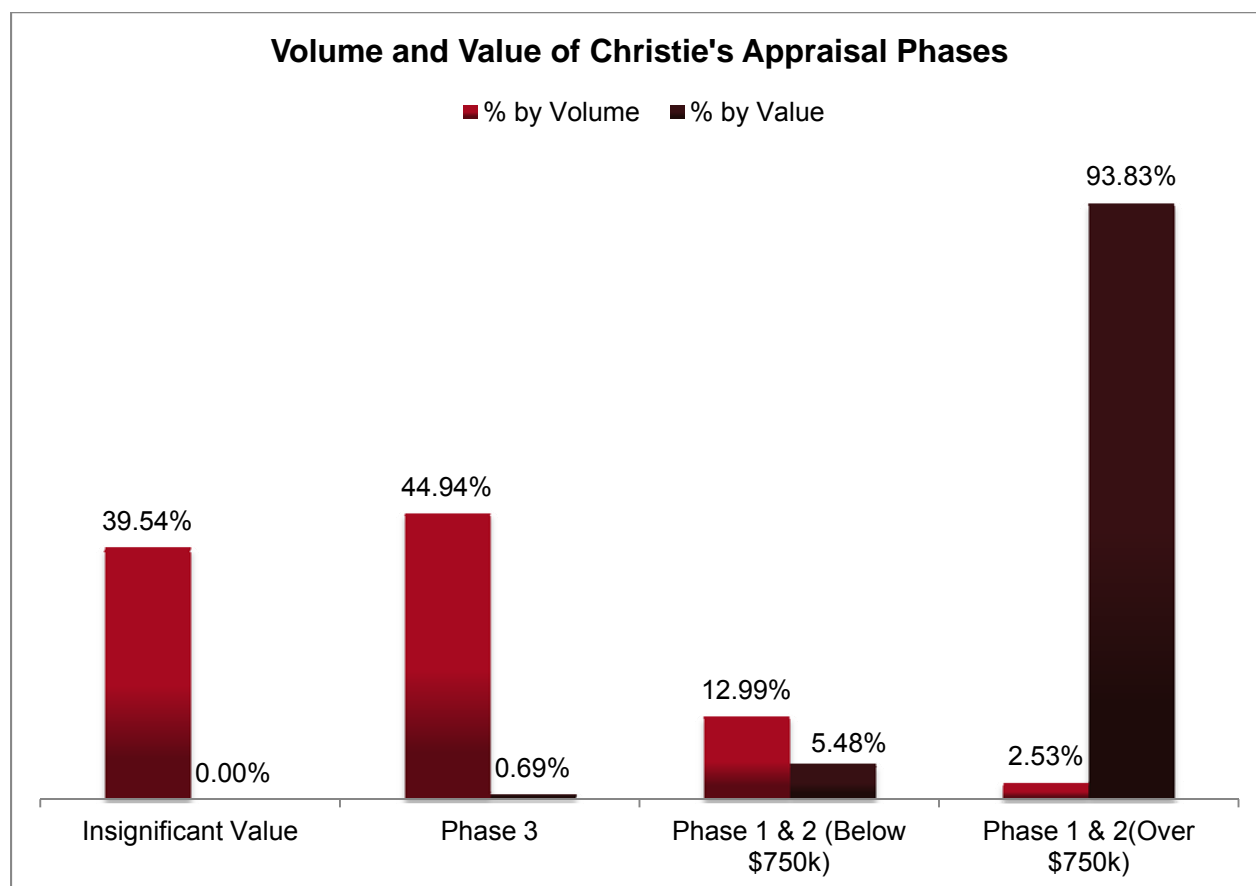
a. Of the 2,773 works of COD property that Christies evaluated, Christie's completed a full appraisal on 1,741 items and Christie's deemed 1,038 works, or 37.4% of the total universe of the COD, of insufficient value that they were ineligible for appraisal. (Thirteen items were grouped together in Phase III). On the other-hand Christie's Phase I and 2 appraisal, which focused on the higher value works on display in the collection, accounted for 2.5% of the works accounted for 98.8% of the value of the COD. Chart 16 below shows the entire Christie's appraisal combined into a single data set; Chart 17 shows the Christie's appraisal as originally submitted, divided into three phases.

CHART 16



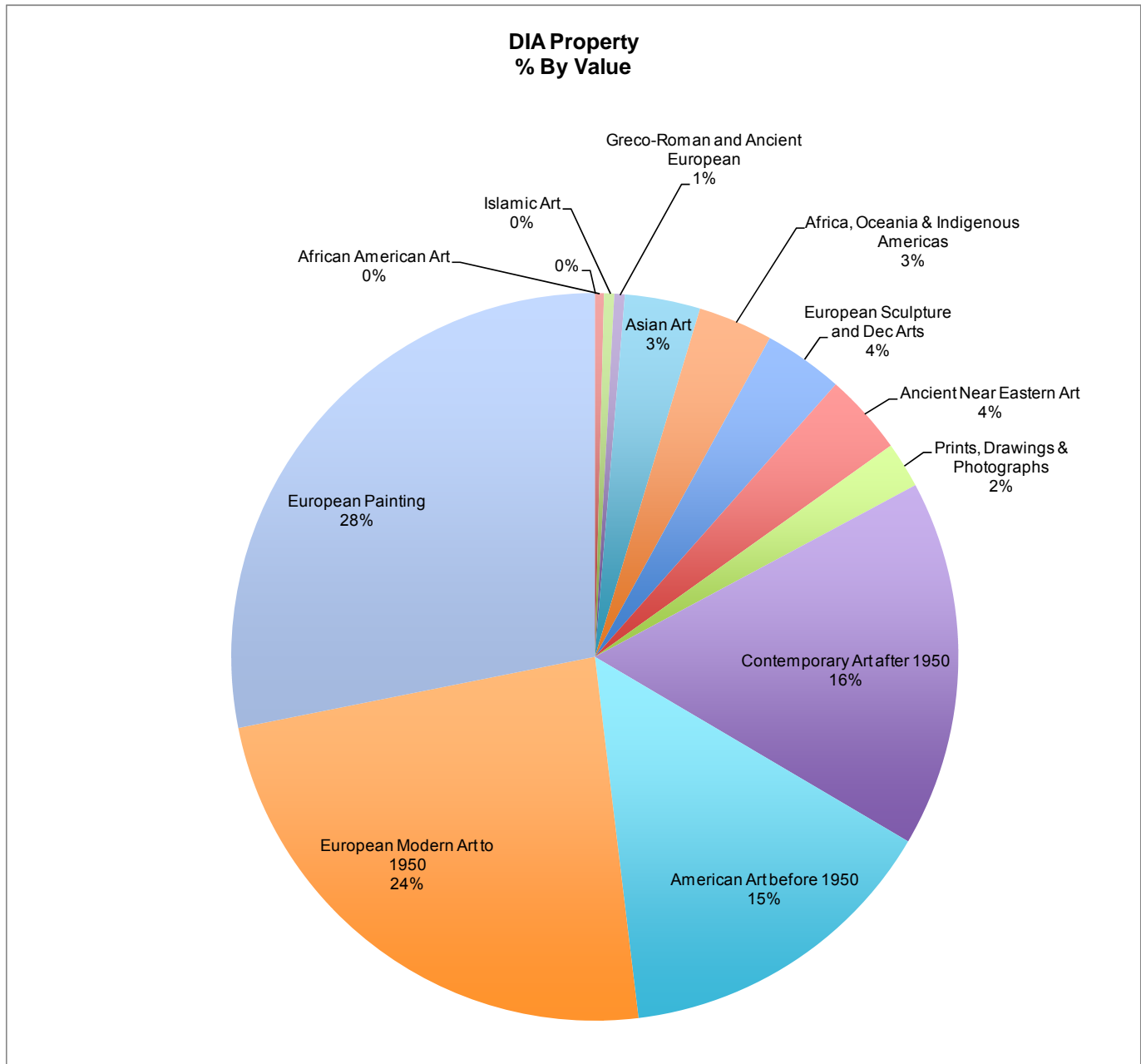
Source: Artvest Partners based on Christie's 2013 Appraisal Data

CHART 17



Source: Artvest Partners based on Christie's 2013 Appraisal Data

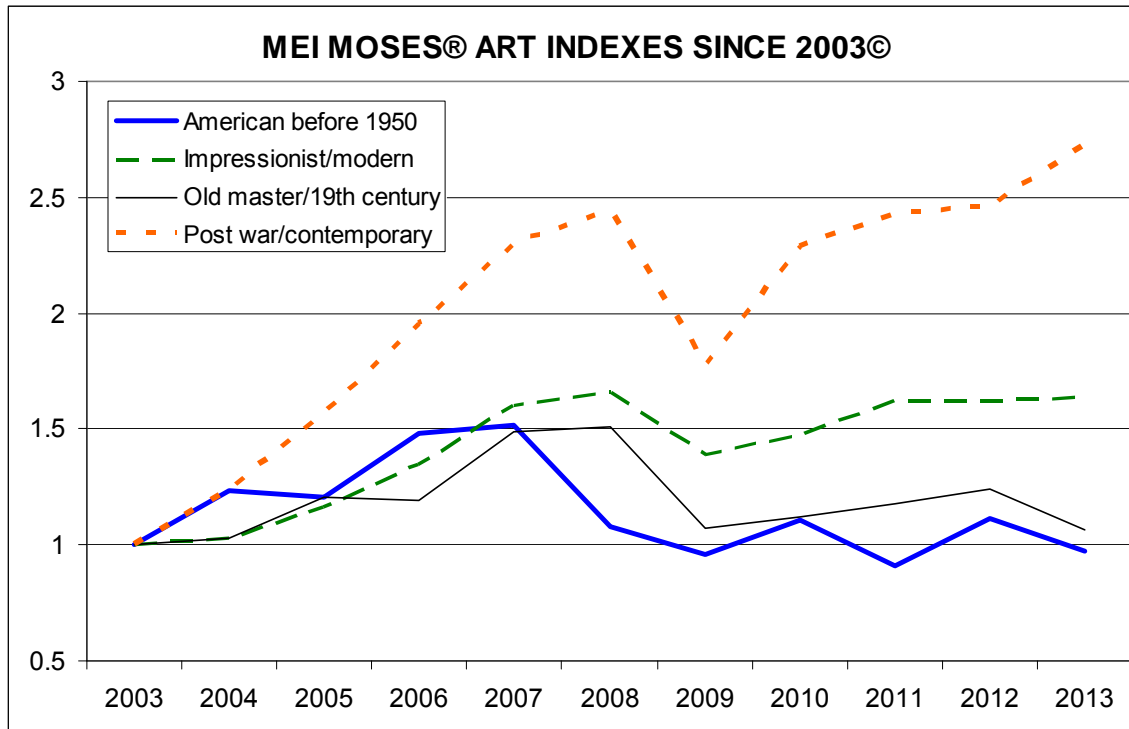
36. Four sectors of the fine art market constitute the most significant block of value in the DIA collection: European Old Master Paintings, European Modern Art, Impressionist and Post-Impressionist Art, and Post-War and Contemporary Art. (Refer to Section IV.)



37. A significant segment of DIA's collection is in areas that have fallen out of favor with collectors and that are underperforming their market peak in 2007, specifically American Art pre-1950 (14.6%), Old Master and 19th Century European Paintings (28.1%), Impressionist & Modern Art (23.8%), for a total of 66.5% of the collection. (Refer to Section IV.)

- a. 1. Mei-Moses Art Indices of American Art pre-1950, Impressionist & Modern Art, Old Master/19th Century, and PWC.

CHART 18

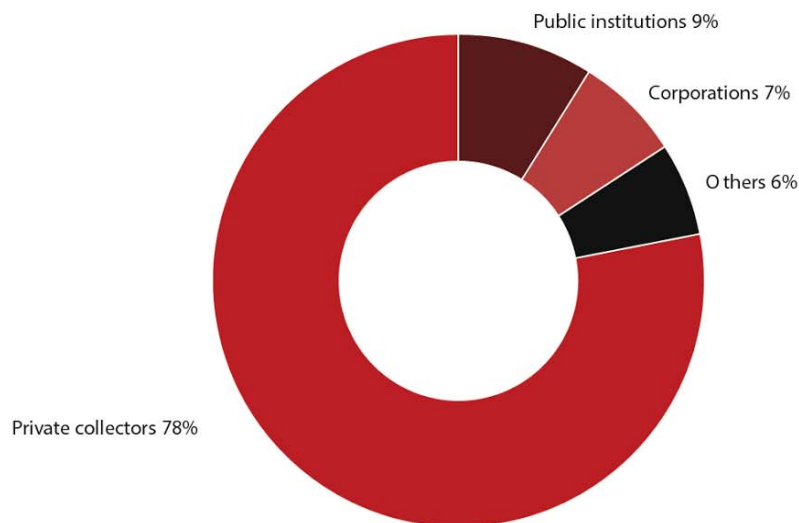


Source: www.artasanassetclass.com © Beautiful Asset Advisors LLC

38. Were the DIA collection to be sold in entirety or in part, few sales would be to other museums, both because other museums are likely to boycott such sales, as well as because funding constraints limit their participation in the marketplace at today's price levels for works of art. Public Institutions, primarily art museums, purchased only 9% of property sold in 2013.

a. Market Share of Sales by Value by Buyer Group in 2013

CHART 19



© Arts Economics (2014)

b. Museums are unable to compete against the formidable spending power of today's wealthy private collectors. Even the largest and most prestigious museums have limited purchasing power relative to size of the market or to the size of the liquidation of all or part of the DIA collection. "The Museum of Modern Art spent \$32 million to acquire art for the fiscal year ended in June 2012; the Metropolitan Museum of Art, \$39 million." (*The New York Times*, *Qatari Riches Are Buying Art World Influence*, Robin Pogrebin, July 22, 2013).

c. A collection of the quality and range of art in the DIA would be impossible to recreate in current times. Given the fierce competition from Private Collectors and the level of today's prices, it would be impossible for the City of Detroit, or any institution in the world, to recreate the quality and scope of the DIA collection. Take for example the Getty Museum in Los Angeles. While it sits on the largest endowment ever provided to an institution in modern history, it has a collection that does not even begin to rival that of the DIA.

VI. Potential Factors That May Affect the Liquidation of the DIA Collection

39. In this section, I anticipate and quantify various different potential factors that, based on either current market conditions or historic precedent, are likely to have a financial effect on the sale of the art from the DIA collection. Many of these factors are not taken into account in any standard appraisal or fair market valuation. I also apply the discount factors for various sale scenarios.

40. It is important to note that these discount factors apply most directly to the higher value property in the DIA collection. Low-to-mid-value property tends to be absorbed into the marketplace with less notoriety or impact on the overall market. In other words, it is the very conspicuousness of the higher value property that tends to exacerbate the conditions outlined below. It is also important to note that a number of these scenarios could overlap, creating a multiple discount affect, such as if there were an immediate liquidation at a second tier auction house that does not have the client base of Sotheby's or Christie's.

Immediate Liquidation

41. An immediate liquidation of the art collection will result in selling the DIA collection at a fraction of its fair market value, passing the returns and the ultimate value to third parties who would be capable of providing a large block of capital for the art on relatively short notice and selling the objects in a less urgent, strategic fashion over a multi-year time frame. (Refer to Indications of Interest in Section VII).

a. In May of 1990, William Acquavella (Acquavella Galleries, Inc.) made a deal to partner with Sotheby's in acquiring the entire inventory of the Pierre Matisse Gallery for \$153.1 million by purchasing the common stock of the gallery. The gallery assets comprised 3,500 works of fine art of the 20th Century, primarily School of Paris (Matisse, Picasso, etc.).

b. The purpose of the transaction for the Matisse estate was to give the estate liquidity without its having to sell the collection all at once at auction, in an immediate liquidation, and potentially further devalue the auction market and the Matisse inventory in the midst of market downturn. (The market had lost half its value from 1990 to 1991 and was not expected to recover in the near to midterm.)

c. For Sotheby's and Acquavella, it was a chance to hold the property and liquidate it over time, both at auction and at private sale.

d. By December 31, 1993, Sotheby's had received \$278.5 million in return for its share of the partnership, for which it had put up 100% of the capital. After this two-year return, another \$45.7 million of inventory remained, which was liquidated at auction sales up through 2006 and beyond. (Source Sotheby's Annual Financial Statements for years ending 1996 and 2006.) In effect, not including Acquavella's share, Sotheby's bought the property at a discount to its ultimate market value of 45%.

e. In the case of the DIA, such a sale would likely follow an accelerated due diligence process as per Houlihan Lokey proposal of anywhere from 10 to 180 days.

42. Impact of an Immediate Liquidation.

- a. There are two potential loss factors to consider in an immediate liquidation, the first being lost value due to sloppy due diligence and cataloguing and property that is not saleable in a short time period. This loss factor cannot be estimated, but it is important to acknowledge.
- b. The second loss factor can be estimated, and that is 50%. This is the standard number used in art loan valuation, as a 50% loan-to-value ratio assumes that the property will bring 50% of its low auction estimate in an immediate liquidation scenario. Real life examples such as the Pierre Matisse Gallery sale support this number.
- c. Refer to TABLES 6 and 7 below for application of an Immediate Liquidation discount.

Blockage Discount

43. Given the high concentration of property in key sectors of the Art Market, the concept of a Blockage discount would apply to any liquidation scenario of the DIA collection other than an orderly, strategic, multi-year liquidation. A Blockage discount is similar to an Immediate Liquidation discount, but results from selling a large group of similar items in a short time. A Blockage discount is an alternative way of evaluating the likely results of a quick sale and would not be applied in addition to an Immediate Sale discount, but generally supports the application of an Immediate Sale discount.

- a. A Blockage discount is defined by the Appraisers Association of America (“AAA”) as “A principle applied in the valuation of large groups of similar and like items, which, if sold during a limited period of time, would result in a depression of the prices one might expect if sold separately in an ordinary market cycle. Consequently blockage discount is narrowly defined as the percentage the appraiser would apply to reduce the total valuation to compensate for this situation.” An Approach to Advanced Problems in Appraising Art, Alex J. Rosenberg Sc.D. AAA, ASA.
- b. Most commonly, a Blockage discount has been applied by the IRS to calculate estate taxes on artists’ estates where there is a large group of similar property. The IRS’s current practice of using a discounted number has ranged from 25% to 46%, based on precedents set in cases involving the estates of David Smith, Georgia O’Keeffe and Alexander Calder. (Ibid.)

Unsold Rates

44. The Impact of Unsold Rates.

- a. Standard appraisals and valuations do not take into account auction unsold rates, an economic reality of the auction business. Such rates vary by category, but tend on average to be in the range of 20% or more. In 2013 one of the highest unsold rates was in 19th Century European Paintings at 42% and one of the lowest was Chinese Paintings at 9%. (Refer to Exhibit E, Sotheby’s and Christie’s unsold rates by sector.)
- b. The top four sectors of the DIA Collection (82.8%) have unsold factors as follows, as applied to the mid values and low estimates of the sectors’ values. Refer to Table 4 below

c. For the remainder of the collection, I assume an average Unsold factor of 25%. That results in a remaining Unsold amount of \$154,559,242 (at the mid estimate), for a total Unsold of \$ 939,289,836.

TABLE 4

SECTOR	Unsold %	Mid Estimate	ME Unsold	Low Estimate	LE Unsold
American Art before 1950	24%	\$ 526,075,242	\$ 126,258,058	\$ 386,216,056	\$ 92,691,854
Contemporary Art after 1950	20%	\$ 586,401,219	\$ 117,280,244	\$ 460,166,040	\$ 92,033,208
European Impressionist & Modern Art to 1950	23%	\$ 856,175,955	\$ 196,920,470	\$ 695,526,352	\$ 159,971,061
European (19th C and Old Master) Paintings	34%	\$ 1,012,564,184	\$ 344,271,823	\$ 760,968,931	\$ 258,729,437
Subtotal Top Four Sectors		\$ 2,981,216,600	\$ 784,730,594	\$ 2,302,877,380	\$ 603,425,559
Balance of Collection	25%	\$ 618,236,969	\$ 154,559,242	\$ 408,091,053	\$ 102,022,763
Total / Avg.	26%	\$ 3,599,453,569	\$ 939,289,836	\$ 2,710,968,433	\$ 705,448,322

(Refer to TABLES 6 and 7 for application of the Unsold Discount Factor.)

d. It is important to note that much of this unsold property could and would be sold over time, but it is customary business practice to devalue a work by 20% of the low estimate after it has “Bought-In” – auction terminology for a work of art going unsold. This is particularly true for paintings and even more so for expensive ones. A work is considered “burned” if it goes unsold and is considered essentially unsellable for a period of three to five years after it first appeared at auction, if even then.

Issues Related to Sotheby's and Christie's

45. The effect of a sale by Christie's or Sotheby's without a financial guarantee: In a sale by either Sotheby's or Christie's, the likely size of a liquidation of the DIA collection would be beyond each of their guarantee capacities, as well as include art sectors where they are less comfortable making guarantees. Such a lack of a guaranteed auction sale exposes property to unsold risk that is described above.

a. Both auction houses try to limit their net auction guarantee exposure to under \$300 million, as a result of the problems they faced in the market downturn of 2008.

Sotheby's reported nearly \$280 million in guarantees as of April 15, more than four and a half times the \$60.2 million figure for the first quarter of 2013; the proportion coming from outside parties is still in flux. As a publicly traded company, Sotheby's is required to report guarantees. Christie's, which is privately owned, is not, but officials there confirmed it has about \$400 million in guarantees to sellers this season, of which some \$300 million is given by outside parties. (*The New York Times, Rush for Deals Before Top Art Goes to Auction*, Carol Vogel, May 4, 2014.)

b. On February 13, 2014, Sotheby's entered into a new credit agreement with a lending syndicate headed by GE Capital which renewed a \$300 million cap on their net auction guarantee positions (total guarantees less third-party irrevocable bids or third-party guarantees.):

The New Credit Agreements contain certain customary affirmative and negative covenants including, but not limited to, limitations on capital expenditures, a \$300 million limitation on net outstanding auction guarantees (i.e., auction guarantees less the impact of related risk and reward sharing arrangements) and limitations on the use of proceeds from borrowings under the New Credit Agreements. (Sotheby's Form 10Q Quarterly Report, filed May 7, 2014).

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46. A sale by other than Sotheby's or Christie's, the two main auction houses: In a forced liquidation, the two optimal selling venues for maximizing the value of the collection, Sotheby's and Christie's, might refuse to sell due to the controversy surrounding a disposition and potential damage to their brand and relationships with the broader Museum community.

- a. Sotheby's parent company, Sotheby's Holdings, Inc. was a Detroit based corporation from 1983 until 2006, with offices at 28500 Woodward Avenue, Suite 100 Bloomfield Hills, Michigan and had a number of connections to the DIA and the Detroit community.
- b. Christie's received unusually strong negative feedback from both the Museum community and the art industry by merely conducting an appraisal. A very different degree of market pushback than what they are receiving from the sale of art from the Delaware Art Museum, a much more limited situation that is not affecting the viability of the Institution. It remains an open question if Christie's owner, Francois Pinault, would want to risk the brand he has so carefully nurtured in the global museum and collecting community by participating in a liquidation of all or part of the DIA's holdings, regardless of the possible financial gain to the business. Moreover, were Sotheby's first to take the position that it would not accept this business based on its history with the City of Detroit and the DIA described above, Christie's and its management would be under even greater pressure not to involve itself in any liquidation of the DIA collection.

Art critics and online commentators are blasting Christie's, the New York-based auction house, for possibly angling for a piece of the action should the Detroit Institute of Arts have to sell part of its collection to satisfy creditors in the city's bankruptcy.... Culture reporter Judith Dobrynski on Tuesday compared Christie's behavior to a vulture. "Shame on Christie's," she wrote on her blog Real Clear Arts. "Sure, business is business, but let's remember here that it is not the Detroit Institute of Arts that has mismanaged the city and led to the bankruptcy.... Is Christie's so hard up that it will take any business, no matter how reprehensible?"

Some other art world insider, who declined to speak on the record to the *Free Press* because of the sensitivity of the situation, privately characterized Christie's actions as predatory. They noted the company was risking possibly alienating other museums, which buy and sell work through the major auction houses all the time. (Detroit Free Press, *Christie's under Fire for Visit to Detroit Art Museum*, Mark Stryker, July 25, 2013.)

- c. The Impact of Not Selling through Sotheby's or Christie's is a subjective number to calculate, as some artists such as leading Impressionist and Modern artists such as Picasso, Cezanne and Van Gogh are almost exclusively sold at Sotheby's and Christie's. Nevertheless, I estimate that the impact of selling the DIA collection through an auction venue other than these two houses would result, at a minimum, of a loss of value of 20% to 40%. (Refer back to Paragraph 29.).

Effect of Market Capacity

47. Selling a large block of property into a market that exceeds its liquidity or capacity is a high risk strategy. Even the most liquid of the sectors, PWC and Impressionist & Modern, have capacity limitations.

a. Key Sectors of the DIA Collection versus 2013 Sales Totals by Sector at Sotheby's and Christie's:

TABLE 5

DIA Collection Values vs. 2013 Sales Volume at Sotheby's and Christie's						
Values in 000's / Units as Stated						
Sector	DIA Estimated Value -- Mid Estimate	Sotheby's & Christie's Sales Value 2013	DIA as % of 2013 Sales	DIA Collection No. of Works	Sotheby's & Christie's Sales Units	DIA as % of 2013 Sales
American Art Pre-1950	\$ 526,075	\$ 249,186	211.1%	2,681	701	382.5%
Contemporary Art After 1950 (PWC)	\$ 586,401	\$ 3,373,174	17.4%	2,359	7,396	31.9%
Impressionist and Modern Art	\$ 856,176	\$ 2,499,410	34.3%	546	5,418	10.1%
European (19th C and Old Master) Paintings	\$ 1,012,564	\$ 547,822	184.8%	786	3,049	25.8%
Source: Data from Sotheby's and Christies, Calculation by Artvest						

48. At the highest end in many subsectors, there is a small number of collectors, in some subsectors as few as one or two, who will be ready, willing and able to pay fair market value for a work of art at a given point in time. Therefore, a longer term selling plan is deemed desirable in the art market.

a. Though exact numbers of how small the buyer base is at both Sotheby's and Christie's is closely held proprietary information, it is a significant enough risk that Sotheby's mentions it in the Business Risk section of its Annual Financial filings with the SEC and has listed this as an important business risk since its Initial Public Offering Documents in 1989.

Sotheby's relies on a small number of clients who make a significant contribution to its revenues, profitability and operating cash flows.

Sotheby's relies on a small number of clients who make a significant contribution to its revenues, profitability, and operating cash flows. Accordingly, Sotheby's revenues, profitability, and operating cash flows are highly dependent upon its ability to develop and maintain relationships with this small group of clients, as well as the financial strength of these clients.

Effect of Longer Term Sale Process

49. For a collection of the magnitude of the DIA's, maximizing art asset value (and preventing an Immediate Liquidation discount or Blockage discount) requires selling over a minimum of five to eight years, which would require a present value discount. (Refer to Exhibit F)

- a. In 1974 the British Rail Pension Fund ("BRPF") decided to diversify its investment portfolio by investing in art. At the time, it was one of the largest pension funds in the UK and was looking to mitigate the effect of high inflation and poor performance in the equities market at the time. From 1974 to 1980 the fund invested a total of £40 million (US \$ 68 million at current exchange rates). Initially art was purchased across fifteen categories of art as a long-term "buy and hold" investment. When the management of the Fund changed in 1987, the Fund decided "to dispose of the entire portfolio of works of art and made plans for a carefully controlled program of sales to be implemented over a period of years." The fund began liquidation in June 1987 and completed its last sale in June 1990, over a period of three years for a total return on investment of 11.2%. (Source: Fine Art and High Finance, Art Funds, Jeremy Eckstein and Randall Willette.)
- b. As the BRPF was only a fraction (less than 5%) of the value of the DIA collection, and unlike the DIA, none of the art in its categories exceeded the annual turnover in a single sector, I feel it would be a conservative to estimate that an orderly liquidation of the DIA collection would require nothing short of five to eight years.
- c. I use the following assumptions in calculating the present value discount:
 - i. Eighteen months to two years to adequately catalogue, research and perform full due-diligence on the full collection and determine an appropriate selling strategy;
 - ii. Sales take place through public auction over a five-year period
 - iii. Sales are front-load in the first years of liquidation
 - iv. Sales or brokerage fees would be captured on the buyers' side, and the DIA would be charged nothing;
 - v. Annual expense to the City of \$6 million, decreasing in later years as objects are sold, related to storing, insuring and administering the art collection until it was fully liquidated;
 - vi. A discount rate of 12% based on the volatility of the art market
 - vii. No delays imposed by court challenges to the DIA de-accessioning, which could push this liquidation out to years seven to twelve or later.

Potential Impact of Litigation

50. As precedent indicates, if the DIA were forced as a result of a court decision to sell its collection to settle debts that are not its own and either diminish or close the institution to pay off City debt, it is likely to face formidable legal obstacles and prolonged litigation, not unlike the 5½ year delay outlined with Fisk University outlined below.

a. Though the City of Detroit / DIA situation is unprecedented, the events surrounding the planned liquidation resulting from Brandeis University's January 2009 decision to close the Rose Art Museum and sell off its entire holdings have valid parallels:

i. The decision was taken to close the Museum by the University as a step to shore-up the University's, not the Museum's, finances. Like the potential outcome for the DIA, it was not a step taken voluntarily by the Museum itself as to controversy and potential legal action.

ii. The decision was denounced by the Museum's Board, its Directors and "a wide range of art experts, who warned that the university was cannibalizing its cultural heritage to pay its bills." *The New York Times, Outcry Over a Plan to Sell Museum's Holdings*, Randy Kennedy and Carol Vogel, January 28, 2009.

iii. The Massachusetts Attorney General announced an investigation of the action within two days of the University's announcement of the planned sale.

iv. Within six months of the announcement, three overseers of the Rose Art Museum filed a lawsuit in the state court in Massachusetts seeking to halt the University's plan to close the Museum and sell its art. *The New York Times, Lawsuit Seeks to Save Art Museum at Brandeis*, Randy Kennedy, July 28, 2009.

b. By June 30, 2011, Brandeis settled the lawsuit by announcing that the Rose Museum will remain a "university art museum open to the public," and that it had "no aim, plan, design, strategy or intention to sell any artwork donated to or purchased by" Brandeis for the Museum. *The New York Times, Brandeis Settles Suit Over Proposed Art Sale*, Randy Kennedy, June 30, 2011.

c. Based on other Museum de-accessions to pay debts, court challenges are likely from the Michigan Attorney General, the DIA, the DIA corporation and numerous donors or their heirs, which could last as long as five years or more, as was the case with the sale of the Fisk-Stieglitz collection. As came about in the Fisk-Stieglitz case which involved a gift from an estate adjudicated in New York but given to a University Museum in Tennessee, these court cases will not only take time, but are likely to span multiple legal jurisdictions. Even a sale of COD property is likely to be challenged by the Michigan Attorney General, based on public comments he has already made on the matter.

d. Any art transaction cannot occur unless there is evidence of clear title, and any pending, or anticipated threat of challenges to title will prevent sales transactions. Thus, if a Court decision led to an action to sell art from the DIA collection, it is extremely likely that no monies, other than a deposit, and no art, would change hands until all such clouds on title were cleared in the courts.

Potential Impact of Controversy or Market Disfavor

51. The combination of a weak market sector and controversy surrounding a museum divestiture can have a negative impact on a sale result.

a. The painting sold by the Delaware Art Museum on June 17, 2014, *Isabella and the Pot of Basil*, was estimated to sell for a low estimate of nearly \$8.5 million, but instead sold for \$4.3 million including the Buyer's Premium, the commission that goes to the auction house.

After deducting that, the Delaware Museum will most likely have netted \$4.2 million, or only 49% of the low estimate.

CHRISTIE'S

WILLIAM HOLMAN HUNT, O.M., R.W.S. (1827-1910)

ISABELLA AND THE POT OF BASIL



Lot 6 / Sale 1545

Price Realized

£2,882,500 □ (\$4,891,603) □ Sales totals are hammer price plus buyer's premium and do not reflect costs, financing fees or application of buyer's or seller's credits.

Estimate £5,000,000 - £8,000,000
 (\$8,495,000 - \$13,592,000)

b. Whether this poor result is a function of the unevenness of the 19th Century Paintings market, or the controversy surrounding the Museum, or both, is difficult to ascertain, though otherwise the sale did very well, and "Isabella and the Pot of Basil" was heavily promoted with a coveted spot as the cover image of the auction catalogue.

Peter Brown and Harriet Drummond, International Heads of the department [Christie's], commented: *"Our £10.1 million sale today far exceeded the pre-sale low estimate of £8 million and was 90% sold by value and 77% by lot. The King Street saleroom was packed tight with collectors who joined with the many telephone and online bidders to contribute to the best sell-through rate and the second highest total for a decade in this category. (Source: Christie's website.)"*

c. On the occasion of the sale of this painting (See Exhibit D-6), the Association of American Museum Directors issued a statement enacting sanctions against the Museum: "With this sale, the museum is treating works from its collection as disposable assets, rather than an irreplaceable cultural heritage that it holds in trust for people now and in the future." Further, it called on its member museums to "suspend any loans of works of art to, and any collaborations on exhibitions with, the Delaware Art Museum, until notified by us that the sanction have been suspended or removed."

52. There is a significant difference between a DIA liquidation as a result of a court decision and others such as the Delaware Art Museum, the New York Historical Society, and Fisk University.

- a. In all of the above examples, the Institution's Board of Directors voluntarily took the decision to sell property to financially stabilize their respective institutions. In the instance of the DIA, any type of sale would weaken or cripple the existing Institution, and would be forced upon it as a result of a court decision.
- b. In the most recent sale from the Delaware Art Museum, the Institution is selling property that had been purchased by the Museum and not that which had been gifted by Museum donors.
- c. In the instance of the sale of the New York Historical Society, the Attorney General of New York intervened to ensure provisions that gave other New York State Institutions a "right of first refusal," which the Metropolitan Museum of Art exercised to keep an important Masterwork in New York.
- d. In the instance of the de-accessioning of the Stieglitz Collection by Fisk University, the Attorney General of Tennessee spent 5 ½ years litigating against a sale by Fisk, which ultimately resulted in significant constraints on the sale and a sharing arrangement with Fisk and the Crystal Bridges Museum for \$30 million.
- e. Separately, there is also the case of the Albright-Knox Museum's de-accessioning in 2006. This stands out from the other examples as the funds raised from the sale of works of art were used for an endowment to pay for new works in a different sector (Contemporary). While this decision was not without some controversy still, the sale was within the guidelines of the AAMD, and there were no sanctions or litigation.

53. It is difficult to quantify the risk to the value of the sale of the DIA collection, in whole or in part, due a negative reaction to a forced liquidation in the marketplace. However, there is one notable example of "market backlash" where market disfavor resulted in highly negative financial results, as well as particular concern I note about the American Art.

- a. Christie's Auction of Orientalist Paintings (exclusively romantic scenes of Arabian life, a sub-genre of 19th Century European Art) on October 30, 2001, less than two months after the 9/11 attack on New York, resulted in an unsold rate of 68.4%, or the sale of only 6 out of a total of 19 on offer that day.
- b. It is likely that a sale of the European Art in the collection will be able to find an audience of collectors and institutions in Europe, the Middle East and Asia and even some collectors in America, who might be less concerned about purchasing works that would denude a major American Museum. However, this would not be the case with the significant holdings of American Art pre-1950 in the DIA collection (13.4% of the total). American Art from this period is collected exclusively by American institutions and collectors and not at all by overseas buyers or institutions. American art collectors are older, more traditional and generally highly patriotic. Thus sales in this sector of the collection are likely to be more seriously impacted than any other by the negative publicity related to a liquidation of the DIA collection. I believe that in other sectors, there is a large

enough proportion of non-American collectors that the controversy of the liquidation of an American Museum will have a far less significant impact.

The Potential Impact of a PWC Market Sector Crash

54. The art market is prone to “crashes.” Certain sectors such as PWC are more volatile than others, and as indicated earlier, in 2008, this sector fell by as much as 50% in both value and volume. With as much as \$ 586 million (at a mid estimate) in the DIA collection, were such a correction to occur in the midst of a DIA liquidation, it could have a meaningful impact on the outcome, or alternatively, delay the liquidation if a decision to wait out the downturn, were even possible.

a. If the DIA liquidation does transpire in an orderly fashion over a longer time period or is delayed by litigation, it is likely that at some point the Post-War and Contemporary Sector will experience another price correction given its historic volatility. Based on the market performance in 1990/91 and 2008/09, such a correction would result in a 50% drop in prices for some period of time. If such an event were to take place during a DIA liquidation, the manager of the liquidation would be forced to choose between holding work off the market until prices rebounded or accepting a drop in value in DIA holdings in this sector of \$293 million. In 2008/09, prices rebounded within two years. However in the crash of 1990/91 prices did not fully rebound for over a decade.

55. All Scenarios in Table 6 are based on the mid estimate and in Table 7 on the low estimates.

- a. Scenario A: Application of Immediate Sales (or Blockage discount Factor). This type of event precludes and overrides any other discount factors. However, as the sale of DIA property is very likely to be delayed by litigation, even an Immediate Liquidation may not be an option for a number of years. A Present Value Calculation is not employed in this scenario. This scenario marginally provides the highest return of the four scenarios.
- b. Scenario B: Application of all other discount factors other than the Immediate Sales Factor. This would be a fully loaded scenario, a less likely but possible instance, where all of the negative market factors would align, including Market Disfavor and a crash in the PWC sector, in the context of a sell-off the DIA collection. It also does not take into account the potential for a lengthy delay in a sale due to litigation, or a Present Value discount resulting from such a delay.
- c. Scenario C: Scenario C, where the DIA collection is sold over a five year period to maximize value, provides the second highest returns, calculated at Present Value. It does factor in Unsold works, which then are reoffered three years later at a 20% discount (an assumption based on industry practice). This scenario is also unlikely, as it does not allow for any delay due to litigation. It is worth noting how close in value this scenario is to Scenario A, which suggests that the Immediate Sale discount, a long time art industry standard, approximates the Present Value of a longer sale over time.
- d. Scenario D: Scenario D uses the same assumptions as Scenario C. However, in this scenario, I factor in the likely impact of litigation in delaying the sale of the collection by five years, similar to the Fisk-Stieglitz case. It is my opinion that this is the most likely scenario of the four, as the Fisk-Stieglitz case involved only the AG of Tennessee; in a DIA

case there likely would be challenges from multiple parties and possibly in multiple legal jurisdictions.

TABLE 6, APPLICATION OF DISCOUNT FACTORS, MID ESTIMATE

Application of Discount Factors / Mid Estimate		Scenario A	Scenario B	Scenario C	Scenario D
	000s				
Gross Indicative Value of the DIA Collection (Mid-Estimate)		3,684,466	3,684,466	3,684,466	3,684,466
Discount Factor: Immediate Sale	50%	(1,842,233)	N/A	N/A	N/A
Discount Factor: Unsold Rates		N/A	(939,290)	(Note 1)	(Note 1)
Discount Factor: Not Selling Through Sotheby's or Christie's	20%	N/A	(736,893)	(Note 2)	(Note 2)
Discount Factor: Present Value of Selling in Orderly Liquidation (without Litigation)		N/A	N/A	(1,853,547)	N/A
Discount Factor: Present Value of Selling in Orderly Liquidation (with Litigation)		N/A	N/A	N/A	(2,539,108)
Net Indicative Value		1,842,233	2,008,283	1,830,919	1,145,358
Other Potential Discounts More Difficult to Predict					
Discount Factor: Market Disfavor on American Sector of up to	50%		(263,038)		
Discount Factor: Market Crash in PWC Sector	50%		(293,201)		
		1,842,233	1,452,045	1,830,919	1,145,358
Note 1: Unsold Rates Included in Present Value Calculation					
Note 2: This Fact Is Not Applied in Present Value Calculation					

TABLE 7, APPLICATION OF DISCOUNT FACTORS, LOW ESTIMATE

Application of Discount Factors / Low Estimate		Scenario A	Scenario B	Scenario C	Scenario D
(000's)					
Gross Indicative Value of the DIA Collection (Low Estimate)		2,760,978	2,760,978	2,760,978	2,760,978
Discount Factor 1: Immediate Sale	50%	(1,380,489)	N/A	N/A	N/A
Discount Factor 2: Unsold Rates		N/A	(705,448)	(Note 1)	(Note 1)
Discount Factor 3: Not Selling Through Sotheby's or Christie's	20%	N/A	(552,196)	(Note 2)	(Note 2)
Discount Factor 6A: Present Value of Selling in Orderly Liquidation (without Litigation)		N/A	N/A	(1,394,755)	N/A
Discount Factor 6B: (with Litigation)		N/A	N/A	N/A	(1,910,943)
Net Indicative Value		1,380,489	1,503,334	1,366,223	850,035
Other Potential Discounts More Difficult to Predict					
Discount Factor 4: Market Disfavor on American Sector of up to	50%		(193,108)		
Discount Factor 5: Market Crash in PWC Sector	50%		(230,083)		
		1,380,489	1,080,143	1,366,223	850,035
Note 1: Unsold Rates Included in Present Value Calculation					
Note 2: This Fact Is Not Applied in Present Value Calculation					

56. Based on the above application of discount factors in TABLE 6, I conclude that the range of values the DIA collection will sell for, using the mid estimate values, would be between \$1.1 billion for the present value of an orderly sale after a prolonged litigation (the most likely outcome, Scenario D) to \$1.8 billion for the present value of an orderly liquidation without litigation (Scenario C), a less likely outcome.

57. In TABLE 7, based on the above application of discount factors on the low estimate value, I conclude the range of values would be between \$0.9 billion for the present value of an orderly liquidation after a prolonged litigation to \$1.4 billion for the present value of an orderly liquidation without liquidation.

Potential Impact of a Sale of Most Valuable Works

58. Selling the most valuable works in the DIA collection would deprive the museum of its core attraction, drastically reduce attendance and related revenues, drive away potential donors of future gifts and endowments, and in all likelihood, ultimately force the closure of the DIA due to a loss of economic sustainability, resulting in a full liquidation.

59. The work that is most valuable financially is that which keeps the interest of visitors as well as future donors. Rather than being a museum of national and international standing which draws over 500,000 visitors a year, should the DIA be stripped of the master works that are at the heart of its collection, it would be relegated to the status of a small regional

museum likely to lose both its visitor and tax subsidy, and it would lose its ability to raise the endowment needed within the eight-year period to substitute for the tax subsidy it currently receives.

“...When a donor expressly intends for an art collection to benefit the community, then conversion of that collection into cash for general operations deprives the community of the cultural enrichment provided by the collection. And when potential donors see that express instructions are not followed, then they are more likely to take their gifts to another jurisdiction, or not make a gift at all.” *De-accessioning and Donor Intent – Lessons Learned From Fisk’s Stieglitz Collection*, Robert Cooper, Attorney General, State of Tennessee, February 7, 2013, Charities Regulation and Oversight Project Policy Conference.

VII. Critique of Houlihan Lokey Analysis and Indication of Interest

"In private conversations, leading art intermediaries have indicated that while some significant bequests may be subject to meaningful encumbrances restricting the ability of the City to monetize the works, it is likely that a significant portion of donated works, or works acquired with dedicated monetary donations, have no meaningful encumbrances." -- Houlihan Lokey, *Detroit Institute of Arts Summary of Activity*, April 2014,

60. The sale of the DIA collection faces three levels of obstacles before works can be sold:

- a. An auction house will not accept an item for sale unless the seller can convey free and clear title. This is a standard provision of any auction house consignment contract, and thus property with the prospect of pending or future litigation clouding title will not be acceptable for sale until such issues are cleared in the courts
- b. Given comments previously made by the State of Michigan's Attorney General, it is likely that the Attorney General will take legal steps to prevent a sale of any works from the DIA collections that he has deemed to be held in "public trust."
- c. Heirs of former donors as well as current donors, many still prominent leaders in the Detroit community, and the DIA corporation itself, are likely to pursue every legal option necessary to stop or delay the sale of any of the art, potentially leading to years of litigation.

"Indications of Interest - Process Summary"

61. Of 38 parties contacted to issue submissions of interest, only 4 parties (10%) did so, despite the high quality and the perceived potential value of the collection. I believe this low number of offers, and the nature and quality of the offers, is indicative of the perceived limitations and likelihood of prolonged litigation should a sale of any of the DIA collection be attempted.

"To the extent the Christie's sample can be viewed as representative of the broader DIA collection, the implications are that the residual 95% of the collection could be valued from \$11 billion to as much as \$21 billion."

62. This is a number derived from a simplistic calculation, which has no bearing on the nature of value distribution in the art market, art sectors, or in the museum's collection itself, but is rather only a crude extrapolation of value derived by dividing the Christie's valuation by the percentage of COD objects in the total collection (2,700 / 66,000 or 4.09%).

"Formal Indication of Interest Summary"

63. Poly International Auction House is a government and military owned auction house in mainland China that recently has become the number one auction house in China and frequently takes principal positions in works of art that it sells at auction.

64. I believe that its bid of "up to \$1 billion" is purely speculative and based on the success of the Albright-Knox property de-accession in 2006. In my view, the Asian Art collection of the DIA is not up to this standard, and consequently, after Poly had

conducted their full due-diligence as stipulated in their offer, their bid would be either non-existent or a fraction of this figure.

65. **Yuan Capital.** I have been unable to find much information on this firm or their intentions with regard to a purchase of the DIA collection, but I believe it is likely that their motivation and interest is similar to that of Poly International and that their interest may wane once they became more knowledgeable about the weakness of the DIA's Asian Art collection.

66. **Art Capital Group.** As discussed at length in the borrowing option in the section on Christie's recommendations for monetization, the borrowing option is not financially tenable and thus would be in effect, the selling of the entire DIA collection to Art Capital Group for \$2 billion (or less depending upon the results of their due diligence).

67. **Catalyst Acquisitions / Bell Capital Partners.** Based on their offer of \$1.75 billion, I believe that they are working on an assumption, similar to that of Art Capital Group, that the entirety of the saleable collection is \$4 billion. As "value of final offer to be dependent on development of a final definitive schedule of collection assets to be acquired," this number really has little meaning but is just an assumption to get in the door and a seat at the negotiating table.

"Instead of continuing to burden Detroiters, a DIA de-accessioning offers the potential for asset value realization that the City might use to consensually satisfy creditor claims while liberating additional sources of capital to catalyze the City's reinvestment initiatives—including investments in a reconstituted DIA or such other arts institutions the City's leadership deems more relevant to the City's rehabilitation."

68. The DIA, far from being less "relevant" to the City's rehabilitation, is actually central to it.

a. As described below in section IX, Cultural Impact, an important art museum is a valuable, contributing asset to the economic health of the city in which it resides. It is difficult for me to imagine what midtown Detroit would have as anchor attraction for renewal and future growth without the DIA or without the status of its world-class collection still intact.

b. HL itself undercuts its own argument for the full or partial liquidation of the collection by further stating, "The DIA routinely ranks among the top 5 in the United States and is recognized globally for the high quality of the artwork in a broad spectrum of subject areas."

c. Far from being a burden, such world-class collections provide a significant financial return to their city in terms of tourist expenditures. For example, "Out-of-town visitors who toured the Metropolitan Museum of Art spent an estimated \$5.4 billion in the year that ended June 30 2013." Agovino, Theresa. "Met Museum Cites Its Economic Impact," *Crain's: New York Business*. 7 Oct. 2013, Web, 30 June 2014.

While the DIA is not the Met, and Detroit is not New York City, it is comparable in that its world class collection can be marketed and promoted as a cornerstone to attract visitors to the city. The Metropolitan Museum is the top-ranking tourist attraction in New York City, drawing in 6.2 million visitors a year to a city with a population of 8.37 million; it attracts a visitor base, both local and foreign, equivalent to 74% of the city's population. The DIA has

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an even stronger metric; it attracts a visitor population of approximately 594,000 in a city of 701,000, a visitor base equivalent to 84.7% of the city's population.

“The Detroit Institute of Arts, which under the leadership of Graham Beal continues the good fight against a forced sale of works in its collection, just missed the top 100 museums with 594,267 visitors, up from 429,000 in 2011. It came in 102nd [in 2013].” The Art Newspaper, Special Report, [Global] Visitor Figures 2013. □April 2014.

VIII. Critique of the Christie's Recommendations for Monetization

69. My review of the Christie's Recommendations for Monetization leads me to the conclusion that Christie's was, by the time they completed this section of their report, disincentivized to develop this line of argument fully, possibly due to market backlash from the DIA and other art market participants. Additionally, while the firm has many of the leading art specialists in the industry, for this type of unique monetization analysis, the firm no longer has the in-house intellectual capital, which would normally have provided the research and economic resources for such recommendations, having disbanded its Financial Services group in 2009 during the last market downturn.¹

a. Lacking from Christie's' recommendations are critical details, even high level assumptions, such as the amount of money that could be raised, timelines to accomplish the recommendations, upfront investments, legal, administrative and other expenses required to implement them, and very little on overall feasibility in the context of the demands of a chapter 9 restructuring.

Christie's Recommendation 1: "Use City-Owned Works as Collateral for Loan or Line of Credit"

70. This is not economically viable. It is, in effect, replacing one type of debt with another without resolving the underlying financial limitations of art as an illiquid asset or defining the revenue sources that would service the debt.

a. If I were to use the example of the loan offered by Art Capital Group ("ACG") in the HL document provided by the Creditors, the financials would likely look like this:

Art Capital Group Loan Offer for DIA (000's)	
Value of DIA Collateral Required	4,000,000
Loan Amount	2,000,000
Annual Interest (6 - 9%)	9%
Per Annum Agent fee	0.50%
Effective Annual Rate	9.50%
Annual Interest Payment	190,000
Origination Fee Year One	1.25%
	25,000
Year One Fee & Interest	215,000
Subsequent Years Interest Only	190,000

¹ I was a Senior Vice President and CFO of Christie's Financial Services Group until 2009. All member of the Group, including me, were terminated at that time. Immediately thereafter, I co-founded Artvest Partners with Jeff Rabin, another former member of Christie's Financial Services Division.

- b. Standard loan-to-value ratios for art loans, most especially “asset-backed” loans, permit a maximum of 50% of the low estimate of what the collateral would sell for at public auction. For example, if the DIA were to take out a loan on COD only, the low estimate provided by Christie’s would be the total value against which a loan could be secured: \$454 million, resulting in a total potential loan of only \$227 million.
- c. In order for the DIA, or the City of Detroit, to borrow the full \$2 billion stipulated in the ACG indication of interest, it would require that the value of the DIA’s entire collection reach a minimum amount of \$4 billion. Otherwise, ACG or any other type of asset-backed lender will lower the amount lent to 50% of the lowest appraised value of the collection after the lender has completed an extensive round of due diligence to determine its own sense of potential liquid value, a process, given the volume of property, that might take as long six to nine months.
- d. Though ACG has quoted an annual interest and fee range of 6.5 – 9.5%, given the fee structures of most asset-backed lenders as well as the cost of the capital that ACG is likely to have to avail itself of to fund such a large deal (one that would be of unprecedented size in the art industry) it is likely that the loan will be at the higher end of the quoted range, or 9.5%.
- e. At this higher rate, on a \$2 billion loan, the DIA would need to pay interest and fees of \$215 million in the first year of the loan and \$190 million every year thereafter.
- f. The Christie’s proposal for monetization through a loan neither contemplates the source of revenue to service the debt annually, nor where the capital would come from to ultimately pay down the loan at the end of its term. Given the dire consequences of default, discussed below, this is a significant omission in such a strategy.
- g. Most asset-backed lenders have extreme provisions for the lender in a situation of default, levying both higher interest rates and onerous “agency” fees to liquidate the property. If such a situation came to pass, the DIA would find itself in the midst of a forced liquidation of the collection on the lender’s terms. In the art industry, such lenders are often referred to as “loan to own.”

Like most things in the art (and finance) world, you have to have money to make money, and for those without significant capital to back up their art holdings, not all loans are created equal. Unless you have a collection worth \$200 million, a balance sheet that goes significantly beyond that, and a good relationship with one of the private banks that are increasingly offering art loans as part of their service packages, you are unlikely to secure the kind of rate Steinhardt took advantage of. You are more likely to end up paying [44 percent to Art Capital Group](#), as photographer **Annie Leibovitz** notoriously did after using [her own photographs as collateral](#). (*Blouin Artinfo, Navigating the Art Loan Biz, A Surging Industry Attracting Both Big Banks and "Loan-to-Own" Sharks*, Shane Ferro, April 12, 2012.)

Christie's Recommendation 2: "Identify a Partner Museum for Long-Term Lease of City-Owned Works of Art"

71. This option would have the same effect of depriving the DIA of some of its most prized works, yet for far less of the financial benefit. Based on deals made with other partner museums, Guggenheim Museum & Bilbao, Guggenheim & Abu Dhabi, and the Louvre & Abu Dhabi, such an arrangement would be unlikely to net more than \$20 million to \$100 million in total for a 10- to 15-year deal and would result in the removal of many high value works from the walls of the DIA.

a. Bilbao & Guggenheim. The Basque government agreed to pay the Guggenheim Museum \$20 million (two payments of \$10 million each in 1992 and 1993.); to provide a \$50 million art acquisition fund; to fund the \$100 million construction cost of the Museum; and to fund its annual operating budget of \$12 million.

b. The Louvre Museum & Abu Dhabi. This financial arrangement is the most lucrative on record: \$512 million for the use of the Louvre brand and an additional \$747 million broken out as follows: \$247 million for rotating between 200 and 300 artworks through the Louvre Abu Dhabi during a 10-year period; \$214.5 million for management expertise over 20 years; and \$253 million for four temporary exhibitions a year for 15 years, and a direct donation of \$32.5 million to the Louvre to refurbish a wing of the Pavillon de Flore for the display of international art.

c. It is important to note that of these four buckets of revenue being paid to the Louvre, only one, providing 200 to 300 artworks, would be even a remotely viable option for the DIA. And even that would come at cost to the viability of the institution. Whereas the Louvre is able to draw objects from the thousands of masterworks in its own collection, the Musee D'Orsay's, and Versailles, the DIA would be able to draw only from its collection of Masterworks (or what we would refer to as High Value Items) of approximately 400 to 500 items, and of that, approximately 80 to 100 items of important American Art pre-1950, would be of little interest to museums outside the US. With regard to the other options, the DIA brand is not a saleable brand, particularly given the current circumstances; nor does it have the depth of administrative staff to provide management expertise to another institution at the same level as the Louvre, or the programming of temporary exhibitions for a satellite institution, which is an extremely labor intensive undertaking.

d. Guggenheim & Abu Dhabi. It is unclear what the compensation structure is between the Guggenheim and Abu Dhabi. The government of Abu Dhabi is assuming all costs of building the Frank Gehry building, funding the new museum's annual operating budget, and providing a substantial acquisition budget similar to the arrangement for Bilbao. Thus it would not be unreasonable to expect that the Guggenheim was receiving similar compensation or slightly more than it did for Bilbao. There is no indication that the Guggenheim is receiving compensation comparable to the Louvre.

e. Crystal Bridges. This Museum has entered into a partnering arrangement for with the Fisk-Stieglitz collection for a total of \$30 million. A separate ownership entity was established to hold the collection, in which Fisk and Crystal Bridges each own a 50% stake. It is quite possible that Crystal Bridges would be interested in a similar arrangement with the DIA for its American Art pre-1950 collection and/or its collection of Post War and Contemporary Art. However, this would come with two important caveats: the first is that it would mean removing a large number of high value works from the DIA's walls for

extended periods of time, and the second is that in the category of American Art pre-1950, Crystal Bridges is the largest buyer in the marketplace and can and will use its buying leverage to negotiate a good bargain for itself, thus raising the question, just how much could the DIA get for lending its collection, \$50 million, \$100 million, or \$200 million? It is hard to imagine Crystal Bridges providing amounts meaningful enough to significantly move the needle on creditor debt relative to what would be lost by the museum and the City of Detroit.

f. Qatar. Based on reports in the press, all indications are that unlike Abu Dhabi, this country is working very independently on its own art and cultural projects and has expressed no interest in partnering with other institutions.

g. None of these considerations of lending art from the DIA, either on a long or short term basis, take into the account for the risk of loss or damage. Particularly with some of the more valuable work in the collection, such as the Breughel, such a risk is important to consider.

Christie's Recommendation 3: "Create a "Masterpiece Trust" to be Accessed by Members of a Museum Consortium"

72. In the absence of specific numbers and institutions, this recommendation is a bit too "blue-sky" to be substantively helpful. Moreover, at a time when the better-funded museums are pursuing their own individual expansion and building plans, the number of museums able to participate would be few to non-existent. Moreover, this type of entity would most likely be limited to DIA's fellow American institutions, further narrowing the universe of likely participants, as overseas institutions would be even less likely to feel obliged to spend scarce funding on such a radical, untested idea, simply to save the DIA from the City of Detroit's predicament.

73. This entity would require time and funding to establish and administer, and given its unprecedented nature, it would be difficult to establish reliable fund raising targets, expense projections and timelines.

74. Given the financial constraints on other US Museums based on their own ambitious plans for expansion, it is not likely that this idea will ever get traction.

a. The Houston Museum. With one the largest endowments among American Art Museums (third behind the Getty and the Metropolitan Museum of Art), the Houston Museum is currently committed to a \$250 to \$350 million building project to create new galleries for art after 1900.

b. Museum of Modern Art. This institution is about to undertake another major building expansion, which is likely to cost in the hundreds of millions of dollars. (The previous overhaul nine years ago, cost \$850 million).

c. The Metropolitan Museum. This Museum announced a gut renovation of its Modern and Contemporary Wings in time to house the \$1 billion gift of Cubist art from Leonard Lauder. A budget has not been released, but it too is likely to cost in the range of hundreds of millions of dollars.

- d. The Whitney. In the final stage of completing its new building on the High Line in downtown Manhattan, the Whitney projects that the new building is going to cost \$422 million. At the same time, they are raising \$200 million in additional funding for their endowment and \$133 million to expand their arts and educational programming.
- e. San Francisco MoMA ("SFMOMA"). This institution has nearly completed raising \$610 million for a new building complex and an expansion of its endowment.
- f. The Los Angeles County Museum of Art ("LACMA"). LACMA has announced that it is planning a new museum building on Wilshire Boulevard, which it estimates will cost at least \$450 million, and another \$200 million for contingencies and operating expenses.
- g. The Getty. This institution has committed to partnering with the Mellon foundation to contribute \$10 million to the Grand Bargain. It is extremely unlikely that they would participate in any effort that would undermine or unravel that arrangement in order to share in the art more directly themselves.

Christie's Recommendation 4: "Sale and Permanent Loan or Gift"

75. This is a multi-year, major fundraising endeavor. It is in effect, the same as raising funds from philanthropists to name works on their behalf. As the purchase would be restricted in terms of future sale or loan, it could not be considered a "real" asset for purposes of inheritance, future liquidity or borrowing; thus, its appeal would be limited to a small number of philanthropists who most likely are already pre-disposed to assist the DIA or are already doing so. It is hard to imagine how this type of program would attract a new type of donor who is not already supporting the institution.

- a. Again, refer to the examples given above. The philanthropic community in the US outside of the Detroit area is being fully tapped for high-level building projects on both the east and west coasts. There is an enormous amount of fundraising competition, a new building is far more attractive to a potential donor, and "purchasing" a painting is not really a purchase but just preserving a painting that is already owned and hanging on a wall in the DIA.

Christie's Recommendation 5: "Traveling Exhibition of Select Works"

76. By Christie's own admission, this a less than desirable alternative, as such exhibitions are "costly to mount" and raise very little relative to their total expense. Such revenues range from as little as \$20,000 for small exhibitions to \$600,000 for blockbuster exhibitions, with loans from an array of prominent international museums.

- a. Such numbers were verified by Artvest in conversations with a number senior finance officers at leading New York Art Museums. A point that was repeatedly made was that such special exhibitions require an enormous up front investment of curatorial time. To reach the upper limits of revenue for a touring exhibition, it needs to be a global exhibition, with works of art borrowed from institutions around the world. Those touring exhibitions that repurpose works from a museum's permanent collection tend to garner revenues more towards the bottom of the range. Given the DIA's current limitations, it is likely that this latter scenario would be the case for its travelling exhibitions.

IX. Cultural Impact

77. The DIA could serve as the centerpiece and symbol of the City's restructuring, a hub for a new artist and cultural community in Midtown Detroit, one along the lines of how the Brooklyn Museum has become a focal point in that Borough's renaissance as a center for artists that has come to rival, even surpass Manhattan – in large part due to the relative cheapness of its real estate in conjunction with its affinity toward, and support of, an arts-related culture.

a. Take for example, the so called "Bilbao effect" with regard to the Basque's Government backing of such a "pharonic" project:

When the Guggenheim project was brought up for debate, however, the Basque Government had more than culture in mind. It argued that, after a grim 15 years in which the closing of steel plants, shipyard and port facilities had swollen unemployment, the museum would serve as both motor and symbol of economic revival and urban renewal. It also appealed to Basque nationalist pride, promising that a world-class museum showing the best of the Solomon R. Guggenheim Foundation's collection and drawing perhaps 500,000 visitors a year would put the city on the map. *The New York Times, A Gleaming New Guggenheim for Grimy Bilbao*, Alan Riding, June 24, 1997.

b. While it is true that Bilbao was not only a Museum but also an architectural novelty, the quality of the collection was a critical factor in drawing the crowds to Bilbao; an empty museum could not.

It is evident that the Basque government, although criticized early on for gambling on the Guggenheim to revive the economy, made a wise and timely investment that yielded a huge return. A breakdown of the economic activity in Bilbao in 1997 and 1998 illuminates the extent of this return. In 1997 approximately \$120 million was spent in the food service sector. In 1998 that total increased to approximately \$160 million. Also in 1997, an estimated \$75 million was spent on purchases in local shops, \$60 million on hotels, \$15 million on fuel and transportation, and \$17 million in the museum itself. *Financing A Global Guggenheim Museum, A Thesis, Submitted to the Graduate Faculty of the Louisiana State University*, By Jill Martinez, May 2006.

c. Lastly, as a resident of New York, I cannot help but be reminded of the last cultural loss of this potential magnitude and how it changed our city forever: the destruction of the greatest urban architectural monument in New York, one of the greatest in the nation, Penn Station, in 1963. It was destroyed in an effort to rescue the perilous financial situation of the failing Pennsylvania Railroad. Several years later, the firm filed bankruptcy anyway, yet the cultural and urban landscape of New York was damaged in a way that the community still mourns and is still trying to partially restore, more than fifty years later, with the building of Moynihan Station at enormous expense.

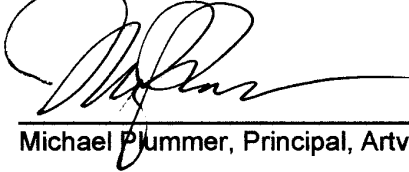
X. Conclusion

78. Rather than being a source of cash to creditors or a burden on the current city, in fact the DIA is the single most important cultural asset the City currently owns for rebuilding the vitality of the city.

79. In this report I have formed an opinion on the following as requested by DIA Counsel and City Counsel:

- a. The indicative value of the works in the DIA Collection at a gross valuation, without any deduction for the value of works that are ultimately determined not to be subject to sale, whether for legal or other reasons, and before the application of discount factors related to general market conditions or issues specific to the DIA collection at a mid estimate of \$3,684,466,069 and at a low estimate of \$2,760,978,432.
- b. The feasibility and likely effects of and on the market and value realization of a sale of the DIA collection under a variety of market and sale conditions: After the application of various discount factors related to these conditions, the range of value the DIA collection will sell for, without any deduction for the value of works that are ultimately determined not to be subject to sale, will be between \$1.1 billion for the present value of an orderly liquidation after allowing for the likely delay of litigation to \$1.8 billion in the highest value scenario, with no litigation and an orderly selling plan.
- c. My review of the practicality and reasonableness of the monetization alternatives described in Christie's preliminary report to the City of Detroit: they do not have a reasonable expectation of either raising meaningful money or exceeding even the \$100 million the DIA has already committed as its contribution to the Grand Bargain.
- d. Creditor-proposed sales of the DIA's collection, including analysis of certain third-party indications of interest: they are either not plausible or not likely to net the dollar values quoted.

80. Finally, it is my opinion that liquidating the DIA collection in a timely manner is unlikely, given the multiple levels of legal challenges as well as the financial risks and uncertain auction outcomes.



Michael Plummer, Principal, Artvest Partners

XI. Assumptions and Limiting Conditions

81. A full assessment, or sale cataloguing, of the DIA collection would require a minimum of 18 months of research for such a quantity of work and full access to DIA files and records. Though I did not have a direct dialogue with the DIA, I relied on information that the DIA provided to Artvest as well as on research of our own.

82. In the normal course of the examination of art to ascertain value for sale, a more rigorous physical inspection is undertaken, such as viewing paintings under blacklight or x-ray, chemical sampling of paint, taking paintings off of walls to view for re-linings and markings and documentation on backs of frames and canvases. For sculptures and ceramics, especially Chinese terra cotta and ceramics, thermoluminescence tests are often undertaken to determine age and authenticity. Additionally, during more in-depth cataloguing described here, an appraiser or specialists would check with academics and other specialists, for which sometimes there is only one such person in the world with an appropriate and highly specialized academic expertise. Given the time limitation on providing this evaluation to the Court and the disruption to the Museum and its visitors that would have resulted, those measures were not possible. But such measures were not necessary for me to form my opinions for the purpose of this report, which is not intended to provide a full cataloguing of objects for sale.

83. As stated elsewhere in the document, such in-depth cataloguing of the entire DIA collection I estimate would take between eighteen months and two years. Such cataloguing might in some instances raise the value of some works, for example, if there had been a misattribution, but in general, more detailed examination is likely to uncover defects, poor conditions or reattribution that would lower values.

Exhibit A: List of Documents Relied Upon

Christie's, *Fair Market Value for Financial Planning, Property Belonging to City of Detroit*
17 December 2013

Detroit Institute of Arts (List of Masterworks), February 28, 2014 (in hardcopy), May 28, 2014 (in Excel file format.)

December 3, 2013 Letter from Doug Woodham, President, Christie's Americas, to Mr. Kevyn Orr, ("Recommendations for Monetization")

Houlihan Lokey, *Detroit Institute of Arts, Summary of Activity*, April 2014

DIA Documents:

List of objects in the DIA's collection (the "Major Works") (DIAINSP000001-DIAINSP000203).

List of objects in the DIA's collection (DIAINSP097403 – DIAINSP114404).

The DIA's archived object files for the Major Works (DIAINSP058666 - DIAINSP087849).

The DIA's archived bibliographic information relating to the Major Works (DIAINSP121651 - DIAINSP122287).

Documents that the DIA supplied to Christie's in connection with Christie's 2013 evaluation of the DIA's collection (DIAINSP005463 – DIAINSP010389).

DIA database information for objects in the DIA's collection (DIAINSP124564).

DIA historical condition reports for the Major Works (DIAINSP122288 – DIAINSP124563).

Object images for selected objects in the DIA's collection (DIAINSP121617 – DIAINSP121650).

TEFAF Art Market Report 2014, Prepared by Dr. Clare Mc Andrew, Arts Economics

Fine Art and High Finance, Edited by Clare Mc Andrew, Chapter 6, *Art Funds*, Jeremy Eckstein and Randall Willette

An Approach to Advanced Problems in Appraising Art, Alex J. Rosenberg, Sc.D, AAA, ASA

Sotheby's Annual Financial Statements: 1993, 2006, 2013

Artprice Databases:

artnet

Askart

Invaluable

See also Exhibit D for a full list of documents cited in research for this paper

Exhibit B: Curriculum Vitae of Michael Plummer

Career

Artvest Partners LLC, Principal and co-founder (2009-present)

Christie's Financial Services, COO and Senior Vice President, (2007-2009)

Fernwood Art Investments, President, COO (2003-2006)

ArtBase Inc. Founder & CEO (2000 – 2003)

The Carbone Smolan Agency, Director (1997 – 2000)

Accoustiguide, Head of US Division (1996 – 1997)

Sotheby's, Marketing Division Head for the Americas and Asia, (1993-1996)

Sotheby's Marketing, Vice-President, Publications and Direct Communications, (1991 – 1993)

Sotheby's International Realty, Vice-President, director of Finance, Marketing and Operations (1987-1991)

Sotheby's Business Manager for Asian Art Division, (1984 – 1987)

Sotheby's Treasury Department, Credit Department, (1980 – 1984)

Other

Director and a co-Founder of the Luxury Marketing Council (1993-present)

Chairman, the American Friends of the London Academy of Music and Dramatic Art (2012-present)

Education

BS, economics, Wharton School, University of Pennsylvania, (1977-1980)

Exhibit C-1: Curriculum Vitae of Consulting Specialist, Betty Krulik



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Appraisers Qualifications

Betty Krulik has 30 years of experience in the handling of American and European 19th and 20th Century art; she has sold to and on behalf of major collectors and museums around the nation. She has acted as appraiser for corporate and institutional collections as well as private collectors.

Her specialty is American Art, yet in her 8 years at Christies she handled European Old Masters and 19th Century works as well as Contemporary Art.

She began her career in 1976 as Gallery Director of Marbella Gallery, 903 Madison Avenue, New York, NY for 2 years. There she learned the business from the ground up, doing inventory control, bookkeeping, sales, and research.

In 1978 she went to Christie's where she became Head of Paintings Departments, an Assistant Vice President, Christie's East, 219 East 67th Street, New York, NY 10021 for 8 years. Responsibilities included business getting, appraisal, cataloguing of paintings, works of art on paper, and sculpture, of the 17, 18th 19th and Early 20th Centuries European and American.

In 1987, she became Director of Spanierman/Drawings, 45 East 58th Street, New York, NY 10022, where she worked for 14 years. At Spanierman Gallery, LLC she specialized in important American Works of Art of the 19th and 20th centuries and has been at the forefront of research in the field, as well as being known as one of the major outlets for American Art. During her tenure at Spanierman Gallery she curated many exhibitions including the museum quality shows of the work of William Merritt Chase, Willard Leroy Metcalf and the landmark exhibition, Arthur Wesley Dow: His Art and His Influence.

In 2001, she took the Directorship of the Department of American Art at Phillips, dePury and Luxembourg, 3 West 57th Street, New York NY 10019, where she held the auctions of the famed Glen Foster Marine Art sale, and the world renowned Thyssen Bornemizsa Collection, establishing world record prices in many sectors of American art.

In 2004 she began her business as Private Dealer, Art Advisory and Appraiser, Ms. Krulik has handled the sales of important American art, from the Hudson River school to American Modernism.

She is Certified Member of the Appraisers Association of America, and serves on its board as President. She also is on the Advisory Board of the Munson-Williams-Proctor Institute, in Utica, NY. and the Masterworks Museum of Bermudian Art. She is President of the William Merritt Chase Catalogue Raisonne committee, and on the advisory committee for the Thomas Wilmer Dewing Catalogue Raisonne. She has appeared as an appraiser on Antiques Roadshow, and has lectured at the Appraisers Association of America, New York University's Continue and Professional Studies, and for Museum groups around the nation. Recently she was nominated for membership in the prestigious Private Art Dealers Association.

Specializations: American Painting, Drawings, Watercolors, Pastels 1850-1950

Exhibit C-2: Curriculum Vitae of Consulting Specialist, Sabine Wilson

SABINE WILSON, PhD

Fine Art Appraiser and Advisor Certified Member, Appraisers Association of America
210 East 63rd Street, 12 A, New York, NY 10065 P: 212-583 9079 F: 212-583 9302
E: bine.wilson@gmail.com

Curriculum Vitae

Education:

Ph.D., Art History, Ludwig-Maximilians-Universität, Munich, 1997
Program in Appraisal Studies, New York University, New York, 2000
Provenance Research Training Program, European Shoah Legacy Institute, Magdeburg, 2012

Appraisal Practice:

Fine Art Appraiser since 2000
Certified Member, Appraisers Association of America (Impressionist and Modern Art)
Uniform Standards of Professional Appraisal Practice, valid until 2016

Specialized in the valuation of American and European paintings, sculptures and works on paper of the 19th, 20th and 21st centuries for charitable contributions, estate and gift tax; insurance, damage and loss claims; collateral loans and financial planning; appraisal review.

Teaching:

Adjunct Instructor, New York University, SCPS, Appraisal Studies Program

Courses:

Introduction to Appraising Fine Art;
The Essentials of Appraising;
Damage and Loss Appraisals;
The Appraisal of Modernist Paintings;
Impressionist, Modern and Contemporary Art: The Auction Market and Appraisal Issues

Publications:

Impressionist and Modern Art: Paintings, Drawings, Sculpture in: Appraising Art: The Definitive Guide to Appraising the Fine and Decorative Arts, Appraisers Association of America, 2013

Lectures:

Topics: Madame de Pompadour; French 18th Century Art; German Expressionism; Art of the Weimar Republic, German and Austrian Art
Venues: The National Gallery, London; Sotheby's, New York; New York University, New York; Appraisers Association of America, New York; Dartmouth College, Hanover, NH

Languages:

German, English, French, Italian

Exhibit C-3: Curriculum Vitae of Consulting Specialist, Kristin Gary

Kristin Gary

150 st 55th Street • New York, NY 10019 • Phone: 212-246-9293 • E-Mail: k@kristingaryfineart.com

Kristin Gary has been dealing in the New York and international markets since the beginning of her career in the early 1990s. She has acquired a deep knowledge of European Old Master and 19th Century painting, sculpture, and drawing and has curated exhibitions and has extensive attribution, appraisal and sales experience.

Experience

Kristin Gary Fine Art, New York- *Founder*

1999 – to present

Founded in 1999, KGFA is a private gallery specializing in the research, purchase and sales of European and American paintings, sculpture and drawings from the Old Masters through the 20th century. Extensive experience working with both American and European private clients, museums and institutions, including sales of important works to The Metropolitan Museum of Art and The Boston Museum of Fine Arts; appraisal of works of art; assist in bidding at auction; managing collections; advising on conservation.

Special Expert Consultation Projects Include:

- *Salander O'Reilly Gallery Trust - Expert Advisor*

Contracted after Christie's to complete project by providing services for the maximization of estate assets. The SOG estate is largest gallery bankruptcy to date comprising hundreds of creditors and an inventory of over three thousand objects including paintings, sculpture and drawings from Renaissance through contemporary periods. KGFA services included private sales, organization of public sales (venue selection and auction catalogue development), appraisals, establishment of authenticity to ensure accurate valuations.

 - To date, achieved multi-million dollar sales of \$15 million of paintings, sculpture and drawings

2010 – to present
- *Ralph Esmerian Trust - Expert Advisor*

Provided services for maximization of bankruptcy estate inventory, including sales, venue selection, auction catalogue development, appraisals and establishment of authenticity to ensure accurate valuations

 - Achieved highest total for an auction of American Folk Art at Sotheby's - \$12,995,000 (2014)
 - Achieved record price for a Frank Lloyd Wright urn at Leslie Hindman - \$750,000 (2011)

2011 to present
- *The Pool NYC - Partner*

Organized and executed five separate exhibitions as a collateral event at 53rd annual Venice Biennale

2009
- *Galerie Brame et Lorenceau, Paris France*

Served as American representative responsible for American clients and for sales to American museums

2001-2004

- **Behaviors** 2004
Produced a solo show by artist Nicola Pucci

- Exhibits at TEFAF, Maastricht; The International Fine Arts Show, New York and The International Fine Art Fair, Palm Beach

William Doyle Galleries, New York - *Specialist, Paintings Department* 1996 - 1999

Prepared auction catalogues for all paintings, sculpture and works on paper from Old Masters through to Modern, including responsibility for attributions and research on all works

- *Walk-in Consignment Days* - a service where the public brought in objects for appraisal; determined value, auction estimate and advised as to auction worthiness

Colnaghi, New York 1993 - 1996

- Sales and relationship responsibilities, gallery management, research, catalogue production, show representation (TEFAF, Armory)
- In 1994, repositioned Colnaghi's older stock; conceptualized, wrote and produced, *The Art of Pleasing, European Paintings for Town and Country 1530- 1930*, an exhibition resulting in 80% sales of existing stock

Education

Istituto per L'arte e il Restauro, Florence, Italy 1990-1992

Masters of Arts, Art History with a focus on Italian art

Duke University, Durham North Carolina 1985-1989

Bachelor of Arts, Majored in Art History

Other Experience

- Native fluency in Italian, working knowledge of French and Dutch
- Certified Member of the Appraisers Association of America
- Co-founder of The Trident Swim Foundation (a foundation that supports an after school academic/swim program for minority children in NYC), 2007 - present
- United States Masters Swimming:
President of the Board of Red Tide NYC, Inc., 2006 - 2013
World and American Record Holder
New York Athletic Club - President of the Swimming and Water Polo Intra Club and member of the Swim Committee

Exhibit C-4: Curriculum Vitae of Consulting Specialist, Joe-Hynn Yang

CURRICULUM VITAE

JOE-HYNN YANG

121 West 72nd Street, #10C
New York, NY 10023, USA
ph/fx: +1 212 787 5875
cell: +1 917 400 4393
email: yang.joehynn@gmail.com

Aug 2009 - current: Principal and Director, Courage & Joy, Inc.

- Dealing in Asian antiquities, and providing art advisory services and appraisals. Select dealer member exhibiting annually during Asia Week New York from 2010 -12.
- Most recent exhibition, March 2012, "Serene Glazes, Elegant Forms: A Select Exhibition of Chinese Ceramics," received notable mention by Roberta Smith of The New York Times.

Jan 2008 - Jun '09: Senior Vice-President, Head of Chinese Works of Art Dept, Christie's New York

- Managed staff of six, sourced fine Chinese art internationally for twice yearly auction sales at Rockefeller Center, directed all details of appraisals, sale marketing, catalogue production, and exhibition planning, and partnered in global key-client strategy.
- Managed a major sequence of Asian art deaccessions from the Arthur M. Sackler Collection and the Sackler Foundation. Responsible for department's annual gross sales of \$80 million in 2008.

Jun 2001 - Jul '07: Vice-President, Head of Chinese Works of Art Dept, Sotheby's New York

- Among the youngest ever dept. heads appointed, overseeing staff of five. Grew dept from \$4 million annual auction sales in 2002 to a record \$40 million single auction season in March 2007, coinciding with winning a major deaccession from the Albright-Knox Art Gallery, Buffalo.
- Sourced twice yearly auction sales and managed relationships with a global clientele. Directed all aspects of auction marketing, catalogues, and exhibitions, as well as departmental budget management and competitive proposals.

Dec 2000 - Jun '01: Cataloguer, Chinese Works of Art Dept, Sotheby's New York

Oct 1998 - Nov 2000: Cataloguer, Chinese Works of Art Dept, Sotheby's London

Oct 1998: Called to the Bar of England & Wales, Gray's Inn, London.

- Passed the Bar Examination, The General Council of the Bar, Trinity 1998 (May 1998); earning a Class II Division II grade, one of only seven candidates to do so, with no others having any higher passing grade. Member of Gray's Inn, London, 1996 - 8.

Sep 1997 - Apr '98: Asian Art Diploma: Arts of China

- Jointly administered by Sotheby's Institute, London, and the School of Oriental and African Studies (SOAS), University of London.

Sep 1993 - Jun '96: Bachelor of Arts (Honors) in Jurisprudence, Brasenose College, University of Oxford

- Earned a Class II Division I ("Upper Second") grade. Awarded the Martin Wronker Prize by the University for the best Finals paper in Jurisprudence (Philosophy of Laws) in 1996.
- Awarded a Varsity Half-Blue in Dancesport in 1995. President of the OUBDC (Ballroom Dancing), 1994-6; President, Brasenose Christian Union, 1994-5; also, inter-collegiate theater and rowing.

Jan 1991 - Dec '92: GCE 'A' Levels, Raffles Junior College, Singapore (earning three 'A's, one 'B')

- Executive Committee, Student Council; Chair, Inter-Faculty Committee; RJC Plaque for Service.
- First Prize, National Students' Elocution and Public Speaking Competition, Singapore, 1992.
- National Creative Writing Mentorship program, Singapore, 1991, via portfolio of plays and poetry.

Jan 1989 - Dec '90: GCSE 'O' Levels, Raffles Institution, Singapore (earning eight 'A1's, one 'A2')

- Junior Runner-up Prize, Commonwealth Students' Essay Competition, 1988; the world's oldest and largest international essay competition, with open entries from every Commonwealth nation, administered by the Royal Commonwealth Society, London, since 1883.

Jan 1989 -Dec '92: ASEAN Scholarship, Ministry of Education, Singapore

- full pre-university scholarship, with board and lodging; only 15 - 25 places awarded annually among candidates from all nine ASEAN nations; renewed in 1991 for a further two-year period.

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Exhibit E: Sotheby's and Christie's Unsold Rates by Sector – 2013

(see following three pages)

Sotheby's & Christie's Unsold Rates by Sector - 2013

	Christie's				
	Sothebys				
Department	# of sales	# of Lots	Avg % Sold	BI %	Total Revenue
19th Century European	9	685	59%	41%	\$30,248,611.00
	7	664	57.69%	42.31%	\$57,055,945.00
Cumulative	16	1349	58%	42%	\$87,304,556.00
American Art	3	307	72%	28%	\$129,392,375.00
	4	394	80.08%	19.92%	\$119,793,691.00
Cumulative	7	701	76%	24%	\$249,186,066.00
Antiquities	5	594	78%	22%	\$26,082,234.00
	2	141	80.38%	19.62%	\$20,078,625.00
Cumulative	7	735	79%	21%	\$46,160,859.00
Arms & Armor	3	452	81%	19%	\$2,989,717.00
Cumulative	3	452	81.00%	19.00%	\$2,989,717.00
Asian Art (MIX)	4	710	86%	14%	\$47,615,689.00
	4	559	75.05%	24.95%	\$31,926,340.00
Cumulative	8	1269	81%	19%	\$79,542,029.00
Asian Contemporary	7	1122	80%	20%	\$260,980,117.00
	7	643	79.66%	20.34%	\$332,262,560.00
Cumulative	14	1765	80%	20%	\$593,242,677.00
Books & Manuscripts	13	2343	77%	23%	\$63,144,742.00
	19	2780	73.39%	26.61%	\$70,545,130.77
Cumulative	32	5123	75%	25%	\$133,689,872.77
Chinese Paintings	6	1481	90%	10%	\$259,254,409.00
	6	1060	91.55%	8.45%	\$193,688,080.00
Cumulative	12	2541	91%	9%	\$452,942,489.00
Chinese WOA	20	2796	81%	19%	\$367,324,809.00
	16	2002	82.98%	17.02%	\$338,896,023.00
Cumulative	36	4798	82%	18%	\$706,220,832.00
Decorative Arts	78	20777	72%	28%	\$151,153,029.00
	13	1425	80.36%	19.64%	\$103,472,074.00
Cumulative	91	22202	76%	24%	\$254,625,103.00
European Interiors	38	8374	71%	29%	\$175,211,667.00
	11	1723	65.73%	34.27%	\$53,345,689.00
Cumulative	49	10097	68%	32%	\$228,557,356.00
European WOA	8	1381	75%	25%	\$29,036,027.00
	18	2829	71.20%	28.80%	\$158,710,714.24
Cumulative	26	4210	73%	27%	\$187,746,741.24
Japanese WOA	5	1118	63%	37%	\$18,901,961.00
	1	31	88.60%	11.40%	\$5,273,397.00
Cumulative	6	1149	76%	24%	\$24,175,358.00

Jewelry & Watches	31	7776	86%	14%	\$828,969,099.00
	20	6117	83.35%	16.65%	\$696,309,628.00
Cumulative	51	13893	85%	15%	\$1,525,278,727.00
Latin American	3	466	78%	22%	\$54,096,750.00
	3	331	68.64%	31.36%	\$55,521,000.00
Cumulative	6	797	73%	27%	\$109,617,750.00
Judaica	3	559	77.66%	22.34%	\$15,651,585.00
Cumulative	3	559	77.66%	22.34%	\$15,651,585.00
Modern & Imp	38	3439	76%	24%	\$1,174,515,790.00
	18	1979	78.53%	21.47%	\$1,324,894,067.06
Cumulative	56	5418	77%	23%	\$2,499,409,857.06
Native American	3	244	80.58%	19.42%	\$6,117,198.00
Cumulative	3	244	80.58%	19.42%	\$6,117,198.00
Oceanic	4	205	68%	32%	\$20,038,770.00
	6	526	60.37%	39.63%	\$42,138,682.00
Cumulative	10	731	64%	36%	\$62,177,452.00
Old Masters	17	1491	66%	34%	\$205,040,805.00
	10	873	66.59%	33.41%	\$255,475,830.00
Cumulative	27	2364	66%	34%	\$460,516,635.00
Other	2	70	57.50%	42.50%	\$63,394,755.00
Cumulative	2	70	57.50%	42.50%	\$63,394,755.00
Photographs	9	821	75%	25%	\$29,982,683.00
	5	590	70.49%	29.51%	\$17,502,472.00
Cumulative	14	1411	73%	27%	\$47,485,155.00
Post war	33	4459	84%	16%	\$1,975,866,997.00
	26	2937	76.76%	23.24%	\$1,397,307,394.00
Cumulative	59	7396	80%	20%	\$3,373,174,391.00
Prints	12	2427	78%	22%	\$55,294,400.00
	7	1730	87.24%	12.76%	\$49,689,468.00
Cumulative	19	4157	83%	17%	\$104,983,868.00
Russian Art	3	558	72%	28%	\$51,366,995.00
	7	533	61.30%	38.70%	\$65,629,426.00
Cumulative	10	1091	67%	33%	\$116,996,421.00
Silver	3	371	86%	14%	\$7,029,738.00
Cumulative	3	371	86.00%	14.00%	\$7,029,738.00
South Asian Contemporary	8	528	81%	19%	\$53,393,740.00
	4	308	77.25%	22.75%	\$28,345,901.00
Cumulative	12	836	79%	21%	\$81,739,641.00
Southeast Asian	12	1783	63%	37%	\$47,882,082.00
	4	403	58.83%	41.17%	\$20,159,105.00
Cumulative	16	2186	61%	39%	\$68,041,187.00
Wine	28	17985	90%	10%	\$73,082,304.00
	25	14897	93.74%	6.26%	\$60,314,699.50

Cumulative	53	32882	92%	8%	\$133,397,003.50
TOTAL	400	84449	76%	24%	\$6,194,951,485.00
TOTAL	251	46348	75.02%	24.98%	\$5,583,499,480.00
Cumulative	651	130797	75%	25%	\$11,778,450,965.00

Exhibit F: Present Value of An Orderly Liquidation

TABLE 8

Present Value of an Orderly Liquidation Mid Estimate (000's)		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Scenario A -- No Litigation												
Saleable Collection Value Mid Estimate (Without other Discounts)	3,684,466											
Percent of Collection Sold				20%	20%	20%	15%	15%	10%			
Gross Annual Sales (Assumes No Selling Cost From Agent/Auctioneer)			736,893	736,893	736,893	736,893	552,670	552,670	368,447			
Less Average Unsold Loss Factor Add Back Reoffered Unsold Property (3 yrs)	26.20%		(193,066)	(193,066)	(193,066)	(193,066)	(144,800)	(144,800)	(96,533)			
Annual Holding and Administrative Expenses		(6,000)	(6,000)	(6,000)	(5,000)	(4,000)	(3,000)	(2,000)	(2,000)	115,840	115,840	77,226
Net Future Value		(6,000)	(6,000)	537,827	538,827	539,827	559,323	560,323	424,366	115,840	115,840	77,226
Discount Rate	12%											
Present Value	1,830,919											
Scenario B -- Litigation (Risk)		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Percent of Collection Sold								20%	20%	20%	15%	15%
Gross Annual Sales (Assumes No Selling Cost From Agent/Auctioneer)								736,893	736,893	736,893	552,670	552,670
Less Average Unsold Loss Factor Add Back Reoffered Unsold Property (3 yrs)	26.20%							(193,066)	(193,066)	(193,066)	(144,800)	(144,800)
Annual Holding and Administrative Expenses		(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(5,000)	(4,000)	(3,000)	(2,000)
Net Future Value		(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	537,827	538,827	539,827	559,323	560,323
Present Value	1,145,358											

TABLE 9

Present Value of an Orderly Liquidation Low Estimate (000's)		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Scenario A -- No Litigation											
Saleable Collection Value Mid Estimate (Without other Discounts)	2,760,978										
Percent of Collection Sold				20%	20%	20%	15%	15%	10%		
Gross Annual Sales				552,196	552,196	552,196	414,147	414,147	276,098		
(Assumes No Selling Cost From Agent/Auctioneer)											
Less Average Unsold Loss Factor	26.20%										
Add Back Reoffered Unsold Property (3 yrs)				(144,675)	(144,675)	(144,675)	(108,506)	(108,506)	(72,338)		
Annual Holding and Administrative Expenses		(6,000)	(6,000)	(6,000)	(5,000)	(4,000)	(3,000)	(2,000)	(2,000)	86,805	86,805
Net Future Value		(6,000)	(6,000)	401,520	402,520	403,520	418,380	419,380	317,500	86,805	86,805
Discount Rate	12%										
Present Value	1,366,223										
Scenario B -- Litigation (Fisk)											
Percent of Collection Sold								20%	20%	20%	15%
Gross Annual Sales								552,196	552,196	552,196	414,147
(Assumes No Selling Cost From Agent/Auctioneer)											
Less Average Unsold Loss Factor	26.20%										
Add Back Reoffered Unsold Property (3 yrs)								(144,675)	(144,675)	(144,675)	(108,506)
Annual Holding and Administrative Expenses		(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(5,000)	(4,000)	(3,000)
Net Future Value		(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	401,520	402,520	403,520	418,380
Present Value	850,035										

Exhibit G: Artvest Evaluation of DIA High Value Works

TYPE	DIA DEPARTMENT	LOW EST	HIGH EST	APPRAISER	DIA #	FIRST	LAST	TITLE	DATE	MATERIAL	SIZE	SUMMARY OF VALUATION SUPPORT
Sculpture	African, Oceania & Indigenous Americas	\$ 600,000	\$ 800,000	JHY	DIA no. 1983.24		Fang	Mask; Alternate Title: ngou- ntangha		Wood, kaolin	Overall on mount: 14 x 10 x 12 1/4 in. (35.6 x 25.4 x 31.1 cm.); Height on Mount: 22 3/8 in. (56.8 cm.); Base dimensions: 9 x 9 in. (22.9 x 22.9 cm.)	Christie's, Paris, Dec. 13, 2011, lot 286, 931,000 EUR; Sotheby's NY, May 13, 2011, lot 262, \$98,500; Sotheby's Paris, June 17, 2009, 78,750 EUR. No four-sided masks of this quality have never appeared at auction, of which this is the quintessential example.
Sculpture	African, Oceania & Indigenous Americas	\$ 800,000	\$ 1,500,000	JHY	DIA no. 1992.290		Benin	Horse and Rider	early 17th century	bronze	Overall (by sight): 18 1/2 _ 7 1/4 inches (47 _ 18.4 cm)	No other three-dimensional equestrian groups have appeared at auction. Sotheby's NY, May 17, 2007, lot 121 (Property of Albright-Knox), \$4,744,000; Sotheby's Paris, June 23, 2006, lot 122, 964,000 EUR; Sotheby's Paris, Dec. 5, 2007, lot 52, 681,850 EUR
Sculpture	African, Oceania & Indigenous Americas	\$ 800,000	\$ 1,500,000	JHY	DIA no. 76.79		Kongo	Nail Figure; Alternate Title: Nkonde; Alternate Title: Nail Fetish	between 1875 and 1900	Wood with screws, nails, blades, cowrie shell and other materials	Overall (by sight): 46 in. _ 18 1/2 in. _ 14 1/4 in. (116.8 _ 47 _ 36.2 cm)	Particularly large at 46 inches high, this is an imposing figure. Sotheby's NY, May 16, 2014, lot 52, \$533,000; Sotheby's NY, Nov. 15, 2013, \$1,805,000; Sotheby's NY, May 16, 2014, lot 47, estimated \$700,000 to \$1,000,000 but did not sell.
Sculpture	African, Oceania & Indigenous Americas	\$ 400,000	\$ 600,000	JHY	DIA no. 77.29		Fang	Head	19th/20th Century	Wood	12 x 6 1/2 x 4 1/2 in.; 30.5 x 16.5 x 11.4 cm	Sotheby's Paris, November 30, 2010, lot 27, \$1,190,181; Sotheby's Paris, Dec. 4, 2008, lot 132, \$976,686; Christie's Paris, Dec. 11, 2012, lot 51, \$498,637; Christie's Paris, June 19, 2014, lot 39
Sculpture	African, Oceania & Indigenous Americas	\$ 300,000	\$ 500,000	JHY	DIA no. 79.22		Bamileke	Maternity Figure	1850/1950	Wood	23 1/8 x 11 1/8 x 9 1/4 in. (58.7 x 28.3 x 23.5 cm.)	Sotheby's NY, May 16, 2013, lot 125, \$365,000; Sotheby's, Paris, June 18, 2014, lot 61, 397,500 EUR; Sotheby's NY, November 11, 2004, lot 100, \$1,072,000
Sculpture	African, Oceania & Indigenous Americas	\$ 200,000	\$ 300,000	JHY	DIA no. 82.49	Bena	Lulua	Figure; Alternate Title: Mbulenga	1875/1900	Carved and patinated wood, shell	19 7/8 x 5 1/4 x 5 1/2 in. (50.5 x 13.3 x 14 cm)	Sotheby's Paris, Dec. 5, 2006, lot 118, 482,400 EUR.; Pierre Berge & Associates, June 13, 2010, lot 368, \$86,847)
Artvest Total African Art		\$ 3,100,000	\$ 5,200,000									
Paintings	American Art before 1950	\$ 800,000	\$ 1,200,000	Betty Krulik	DIA no. 01.2	John Mix	Stanley	Indian Telegraph		1860 Oil on canvas	Unframed: 20 _ 15 1/2 in. (50.8 _ 39.4 cm); Framed: 27 3/8 _ 23 3/8 _ 2 7/8 in. (69.5 _ 59.4 _ 7.3 cm)	This is an iconic work, by the artist, the most appropriate comp is the 24 x 20 Deerslayer selling for \$932,000 in 2004, and the 2007 sale in as small local auction house in Marathon, NY, The Sentinel sold for \$742,000. This work with its high keyed color would sell for \$1,000,000.
Paintings	American Art before 1950	\$ 250,000	\$ 350,000	Betty Krulik	DIA no. 08.7	John Henry	Twachtman	The Pool		Oil on canvas	26 x 31 in.; 66.0 x 78.7 cm; Framed: 33 9/16 x 38 5/8 x 3 1/8 in.	Twachtman is always a tough sell, he is very subtle and rarely performs well in auction situations. The most appropriate comparable in period and quality is autumn mists sold in 1998 for \$189,000. and again in 2001 for \$248,000. it had slightly more color and was slightly larger than the subject work.
Paintings	American Art before 1950	\$ 1,250,000	\$ 1,500,000	Betty Krulik	DIA no. 08.8	Mary	Cassatt	Women Admiring a Child		1897 Pastel	26 x 32 in. (66.0 x 81.3 cm); Framed: 31 7/8 x 38 1/4 x 2 1/4 in.	cassatt is currently not very popular, in particular this PASTEL has a odd coloration in the face of one of the figures. There is not a pastel that has sold for more than \$900,000 since 2009, with multiple
Paintings	American Art before 1950	\$ 2,500,000	\$ 3,500,000	Betty Krulik	DIA no. 08.9	Thomas Wilmer	Dewing	The Recitation		1891 oil on canvas	Unframed: 30 _ 55 inches (76.2 _ 139.7 cm); Framed: 48 _ 72 _ 2 3/4 inches (121.9 _ 182.9 _ 7 cm)	One of the finest dewings. If it were to come on the market, it would make close to the record for Dewing of \$3.4, but due to the down market and numerous buy ins a conservative value is appropriate. As this is not current collecting taste, and most current highend american buyers already

Paintings	American Art before 1950	\$	3,000,000	\$	5,000,000	Betty Krulik	DIA no. 10.11	Frederic Edwin Church	Syria by the Sea	1873	Oil on canvas	56 x 85 in. (142.2 x 215.9 cm); Framed: 80 x 108 x 5 1/2 in.	Concievably there might be intreset n this painting by the mid eastern collectors. While it has a great luminosity, size is an negative issue. Years ago when Adelson galleries did a show, they had a Syrian work on the market, smaller and not as interesting for \$2,500,000. There are no comparables in the auction market.
Paintings	American Art before 1950	\$	250,000	\$	350,000	Betty Krulik	DIA no. 10.6	Willard Leroy Metcalf	Unfolding Buds	1909	Oil on canvas	26 x 29 in.; 66.0 x 73.7 cm; Framed: 39 3/4 x 42 7/8 x 2 5/8 in. (101 x 109 x 6.7 cm)	Spring pictures of this scale by Metcalf with little contrast rarely exceed \$350,000. evidenced by On the River at Christies in 2013, selling for 365K with premium and spring selling in 2006 (height of the market for 375K
Paintings	American Art before 1950	\$	800,000	\$	1,200,000	Betty Krulik	DIA no. 15.12	Willard Leroy Metcalf	The White Veil	1909	Oil on canvas	36 x 36 in.; 91.4 x 91.4 cm; Framed: 49 1/2 x 49 3/8 x 1 7/8 in.; with frame: 49 1/2 x 49 3/8 x 1 in.; 125.6 x 125.4 x 2.5 cm	This represents the best of the artists work. It is comparable to the little white house sold at sothebys for \$1M (the Fraad collection) In 2004. It was at the height of the market and in a celebrity sale, therefore a more conserative low end is appropriate.
Sculpture	American Art before 1950	\$	60,000	\$	80,000	Betty Krulik	DIA no. 15.2	Paul	Manship	1913	Bronze	height: 29 in.; 73.7 cm; dimensions of base: 18 3/8 x 11 1/4 in.; 46.7 x 28.6 cm	There are no comparables in the auction market, as not even one cast has come up in 30 years of internet data bases. there have been several works from 1912-1914, which when on the market make in only two have come on the market, both many years ago in 1993 and 1988 making \$90K and \$110K respectively. Due to the current strength of the western market a higher value is appropriate
Sculpture	American Art before 1950	\$	100,000	\$	150,000	Betty Krulik	DIA no. 16.13	Solon Hannibal Borglum	Lassoing Wild Horses	1898	Bronze	30 x 25 x 15 in.; 76.2 x 63.5 x 38.1 cm	an almost exact comparable is the self portrait from the guild hall museum sold in 2004 for \$142K. Which is slightly smaller. Therefore a \$100-150,000. value is appropriate
Paintings	American Art before 1950	\$	100,000	\$	150,000	Betty Krulik	DIA no. 16.16	William Merritt Chase	Self Portrait	c. 1914	Oil on canvas	Framed: 32 9/16 x 28 13/16 x 2 13/16 in. (82.71 x 73.18 x 7.14 cm); 24 x 20 in. (61.0 x 50.8 cm)	an almost exact comparable is the self portrait from the guild hall museum sold in 2004 for \$142K. Which is slightly smaller. Therefore a \$100-150,000. value is appropriate
Paintings	American Art before 1950	\$	1,800,000	\$	2,200,000	Betty Krulik	DIA no. 16.31	Frank Weston Benson	My Daughter Elisabeth	c. 1914	Oil on canvas	44 x 37 in. (111.8 x 94.0 cm); Framed: 55 3/8 x 44 3/8 x 4 in.	A beautiful painting, but a portrait no less. It is most comparable to the double portrait of children (always more desiraeable) sold in 2010 at Christies for just a bit more than \$2M. Interiors / less portrait like works sell for much more. This is large and the sitter is attractive, and out of doors, so it becomes more desirable than a straight portrait
Paintings	American Art before 1950	\$	25,000,000	\$	30,000,000	Betty Krulik	DIA no. 17.17	George Wesley	Bellows	1913	Oil on canvas	36 1/2 x 48 in.; 92.7 x 121.9 cm; Framed: 43 3/4 x 56 1/16 x 3 3/8 in.	Comparable to Polo Crowd sold in 1999 for \$27,000,000. and the recent sale of the Randolph Macon picture to National Gallery, London for \$25.5M in February of 2014, it could not sell in the US because of the negative publicity, no museum in the US would by it. (MP note: except perhaps Crvstal Brides).
Paintings	American Art before 1950	\$	300,000	\$	500,000	Betty Krulik	DIA no. 19.19	Childe	Hassam	1906	Oil on canvas	20 x 30 in. (50.8 x 76.2 cm); Framed: 31 1/4 x 41 3/8 x 2 in.	Value wise this work falls between the 2013 Christis work (half the size) selling for \$150K and the larger The East Headland, Appledore-Isles of Shoals selling at Christies in 2001 for \$500K.
Paintings	American Art before 1950	\$	600,000	\$	800,000	Betty Krulik	DIA no. 19.34	Frederick Carl Frieseke	The Blue Gown	1917	Oil on canvas	39 x 60 in. (99.1 x 152.4 cm); Framed: 45 x 66 1/8 x 2 3/4 in.	American impressionist market it soft. This work while beautiful is an interior. The highest prices for Frieseke's are highly patterned and bright GARDEN several of this cast have come on the market the most recent sold for \$434K in 2009.
Sculpture	American Art before 1950	\$	400,000	\$	500,000	Betty Krulik	DIA no. 19.43	Paul	Manship	1916	Bronze	32 x 33 x 10 in. (81.3 x 83.8 x 25.4 cm)	
Sculpture	American Art before 1950	\$	350,000	\$	550,000	Betty Krulik	DIA no. 19.66	James Earle Fraser	The End of the Trail	1918	Bronze	45 x 30 x 9 in.; 114.3 x 76.2 x 22.9 cm	Just before the 2008 recession a cast sold for a record price of \$631K, since then the records have been more modest \$370K and \$410K in westner sales in 2012 and 2013. The size of the DIA piece is mistakenly measured, including the spear.

Paintings	American Art before 1950	\$	500,000	\$	750,000	Betty Krulik	DIA no. 1983.23	John Singleton Copley	George Boone Roupell	1779/1780	Oil on canvas	Framed: 96 x 66 1/2 x 5 7/8 in. (243.84 x 168.91 x 14.92 cm); 84 1/16 x 54 in.; 213 x 137 cm	An attractive but large British picture. The retail market might be stronger but it could take years to sell for more than \$1M. The 30 x 25 in. JOHN WOMBELL EIGRE sold for \$92K in 2009.	
Paintings	American Art before 1950	\$	1,000,000	\$	1,500,000	Betty Krulik	DIA no. 1986.60	Mary Cassatt	Alexander J. Cassatt	c. 1880	Oil on canvas	25 3/4 x 36 3/8 in. (65.4 x 92.4 cm); Framed: 35 1/8 x 45 3/4 x 2 1/4 in.	no images of men have come up, some of male children. Since Cassatt has not performed well in the market recently therefore conservatism is appropriate. The work is unfinished and unsigned.	
Paintings	American Art before 1950	\$	300,000	\$	500,000	Betty Krulik	DIA no. 1994.88	Thomas Worthington	Whittredge	The Baptism	1868	Oil on canvas	19 x 27 in. (48.3 x 68.6 cm); Framed: 28 1/4 x 36 1/8 x 3 in.	Aside from the Western (platte river) Whittreges,only the newport scenes make over \$300,000.. Because this work has the panoramic openness that characterizes the best of Whittredge's work and the multiple figures a value of \$300-500K is appropriate, using the 2011 On The Delaware 18 x 28 in (similar size) selling for \$302K A large early shoreline picture it would be comparable to the marsh scenes of similar size. Also an almost exact comaparable (but larger sold in 1996 for \$910K, while was many years ago that value would hold as this is one of very few seascapes.
Paintings	American Art before 1950	\$	700,000	\$	1,000,000	Betty Krulik	DIA no. 1995.26	Martin Johnson Heade	Seascape: Sunset	1861	Oil on canvas	26 x 44 in. (66.0 x 111.8 cm); Framed: 39 1/4 x 57 1/4 x 4 1/2 in.	Very large, and central to Detroit, this work is a tough sell, even though the DIA paid more than \$1M for it in 2005.	
Paintings	American Art before 1950	\$	500,000	\$	700,000	Betty Krulik	DIA no. 2005.72	Thomas Wilmer	Dewing	Commerce and Agriculture Bringing Wealth to Detroit	1900	Oil on canvas	91 9/16 x 171 x 1 5/8 in.	the closest comp is the Letter sold in 2001 for the record price, this work the woman sewing is less attractive as the sitter is not as pretty to the contemporary buyer. The market for these interiors hovers in the \$200-300K range however this would be slightly closer to The Letter and the Green Dress in date size and complexity
Paintings	American Art before 1950	\$	300,000	\$	500,000	Betty Krulik	DIA no. 21.70	William McGregor	Paxton	Woman Sewing	c. 1913	Oil on canvas	30 x 25 in.; 76.2 x 63.5 cm; Framed: 42 9/16 x 37 9/16 x 3 in.	Cassatt is in a down market right now, however this work being a classic mother and pretty young girl and a park picture makes it more desireable than most, therfore closer to the top of the market but conservatively
Paintings	American Art before 1950	\$	4,000,000	\$	5,000,000	Betty Krulik	DIA no. 22.6	Mary Cassatt	In the Garden	1903/1904	Oil on canvas	26 3/4 x 32 1/2 in. (68 x 82.6 cm); Framed: 35 3/4 x 41 7/8 x 3 in. (90.8 x 106.7 x 7.6 cm)	Pending conditon, this work has the smokey ethereal quality that is sought after in Inness's late work, and has the benefit of good color in the sky	
Paintings	American Art before 1950	\$	300,000	\$	500,000	Betty Krulik	DIA no. 23.100	George Inness	Apple Orchard	1892	Oil on canvas	30 x 45 1/8 in. (76.2 x 114.6 cm); Framed: 36 1/8 x 51 x 2 1/4 in. (91.8 x 129.5 x 5.6 cm)	comparable to the best of sloans work selling at auction, the highest 3 prices were \$2.2M, 2.3M and \$3M all in 2000-2003. Due to the rarity of these great early aschcan pictures the record prices apply	
Paintings	American Art before 1950	\$	2,500,000	\$	3,000,000	Betty Krulik	DIA no. 24.2	John Sloan	McSorley's Bar; Alternate Title: McSorley's Ale House	1912	oil on canvas	Unframed: 26 x 32 inches (66 x 81.3 cm); Framed: 32 7/8 x 39 1/4 x 3 inches (83.5 x 99.7 x 7.6 cm)	a nearly exact comparable is the Promenade (#19 on artnet search) sold in 2003 for \$1.9M at Christies, however with a soft market for Prendergast as evidenced by the low prices in the past 5 years a conservative value is appropriate	
Paintings	American Art before 1950	\$	1,200,000	\$	1,800,000	Betty Krulik	DIA no. 24.30	Maurice Brazil Prendergast	Landscape with Figures	c.1918/1923	Oil on canvas	29 3/4 x 43 in.; 75.6 x 109.2 cm; Framed: 36 1/2 x 49 3/4 x 2 7/8 in.		

Paintings	American Art before 1950	\$	300,000	\$	500,000	Betty Krulik	DIA no. 27.158	Arthur Bowen Davies	Dances	1914/1915	Oil on canvas	84 x 138 in. (213.4 x 350.5 cm)	there are very few of these important cubist works on the market, Ed Schien paid close to or over 1M for a work, and years ago a great one Interwoven sold at spanierman gallery for \$250,000. range. There are no comparables at auction
Paintings	American Art before 1950	\$	125,000	\$	175,000	Betty Krulik	DIA no. 27.314	Dwight William Tryon	Autumn	1893	Oil on canvas	40 1/2 x 31 1/2 in.; 102.9 x 80.0 cm; Framed: 53 7/16 x 43 15/16 x 2 1/8 in.	the high prices at auction are only \$60-70K, these works are significantly larger and in stanford white frames. at spanierman galleries, I would sell these for over \$175K without the original frames which in this case have value
Paintings	American Art before 1950	\$	125,000	\$	175,000	Betty Krulik	DIA no. 27.315	Dwight William Tryon	Spring	1893	Paint on canvas	40 1/2 x 31 1/2 in.; 102.9 x 80.0 cm; Framed: 53 7/16 x 43 7/8 x 2 in.	The high prices at auction are only \$60-70K, these works are significantly larger and in stanford white frames, at spanierman galleries, I would sell these for over \$175K without the original frames which in this case have value
Paintings	American Art before 1950	\$	2,500,000	\$	3,500,000	Betty Krulik	DIA no. 27.316	Thomas Wilmer Dewing	Summer	1893	Oil on canvas	50 1/2 x 32 1/2 in. (128.3 x 82.6 cm); Framed: 63 7/8 x 45 x 2 1/2 in.	One of the finest dewings. If it were to come on the market, it would make close to the record for Dewing of \$3.4, but due to the down market, in american impressionism especially a conservative value is appropriate.
Paintings	American Art before 1950	\$	800,000	\$	1,200,000	Betty Krulik	DIA no. 27.556	John Singleton Copley	Mrs. Clark Gayton	1779	Oil on canvas	50 x 40 in. (127 x 101.6 cm.); Framed: 58 5/8 x 48 3/4 x 3 7/8 in.	few pretty british women come on the market, recently Hirschl and adler sold a large british woman to the Milwaukee art museum for around \$4M. It took over 10 years to sell the painting. The value of this work is approx \$750K based on the high price of \$425K for a 30 x 25 man
Paintings	American Art before 1950	\$	3,000,000	\$	5,000,000	Betty Krulik	DIA no. 31.27	William Merritt Chase	My Little Daughter Dorothy	c. 1894	Oil on canvas	48 x 33 in. (121.9 x 83.8 cm); Framed: 52 3/4 x 37 3/4 x 2 in.	while picutres of his children rarely come on the market, and this studio interior is very charming, and would make a near record. The studio interiors are very rare to the market and are considered highly sought after so a value close to the 2008 record is appropriate
Paintings	American Art before 1950	\$	4,000,000	\$	6,000,000	Betty Krulik	DIA no. 34.27	James Abbott McNeill Whistler	Arrangement in Gray: Portrait of the Painter	c. 1872	Oil on canvas	Framed: 39 1/2 x 31 9/16 x 2 1/4 in.; 29 1/2 x 21 in. (74.9 x 53.3 cm)	There are no comparables. This work is an icon, no similar works have come on the public market. Several large female portraits have sold privately in the \$5M range.
Paintings	American Art before 1950	\$	200,000	\$	250,000	Betty Krulik	DIA no. 35.119	Thomas Doughty	In Nature's Wonderland	1835	Oil on canvas	24 1/2 x 30 in.; 62.2 x 76.2 cm; Framed: 31 1/8 x 37 1/8 x 2 1/8 in.	this work has brilliant color in the sky, and the market is responding to hudson river pictures with great light. the closest comaprable was sold at Sotheby;s october 2013 for \$161K, it did not have the pink sky that this does, but is approximately the same size and close in date.
Sculpture	American Art before 1950	\$	800,000	\$	1,200,000	Betty Krulik	DIA no. 37.11	Frederic Sackrider Remington	The Mountain Man; Alternate Title: The Mountaineer	1903/1909	Bronze	height: 28 in.; 71.1 cm	Presuming a lifetime cast, this is one of the most sought after casts. even in the recession a cast sold for just a touch over \$1M at Sothebys May 2010.
Paintings	American Art before 1950	\$	7,000,000	\$	10,000,000	Betty Krulik	DIA no. 38.60	William Sydney Mount	The Banjo Player	1850/1855	Oil on canvas	25 x 30 in. (63.5 x 76.2 cm); Framed: 31 9/16 x 36 3/8 x 3 1/8 in.	this work is an icon for the artist, a musical subject and a barn scene. the highest price was at sothebys in 2008, The Ramblers, which sold for \$2.2M. it is rumoured that the Power of Music, sold to Cleveland for \$10,000,000. 20-25 years ago. While that work was more complex with multiple figures and color. this work is is a rare and imoportant

Paintings	American Art before 1950	\$	400,000	\$	600,000	Betty Krulik	DIA no. 39.6	Asher Brown	Durand	Monument Mountain, Berkshires	Probably 1850	Oil on canvas	28 x 42 in. (71.1 x 106.7 cm); Framed: 43 1/4 x 57 5/8 x 6 3/8 in.	Summary not provided
Paintings	American Art before 1950	\$	3,000,000	\$	5,000,000	Betty Krulik	DIA no. 40.56	Winslow	Homer	Girl and Laurel	1879	Oil on canvas	22 5/8 x 15 3/4 in.; 57.5 x 40.0 cm; with frame: 28 1/4 x 21 1/4 x 1 7/8 in.; 71.6 x 53.8 x 4.8 cm	The high price for a Homer Oil, was a picture of the same size and date Peach Blossoms which sold for \$2.8 M in 2010.the subject work is a more attractive subject and has wonderful finish and would be highly sought after in the market.
Paintings	American Art before 1950	\$	500,000	\$	750,000	Betty Krulik	DIA no. 41.37	John Singleton	Copley	Colonel John Montresor	c. 1771	Oil on canvas	30 x 25 in.; 76.2 x 63.5 cm; Framed: 38 x 33 x 3 1/2 in.	while it was market weary, the Bonhams in the May 2014 sale of Captain Gabriel Maturin, was the closest comparable. it did not sell because it was over exposed and had some condition issues.
Paintings	American Art before 1950	\$	100,000	\$	150,000	Betty Krulik	DIA no. 42.59	Asher Brown	Durand	View of Rutland, Vermont	1840	Oil on canvas	29 1/8 x 42 1/8 in. (74.0 x 107.0 cm); Framed: 40 3/4 x 53 1/8 x 4 1/4 in.	like summer afternoon which sold for \$68K in 2008 at sotheby's but without huge cows (which is a detriment in the market)therefore the value is closer to An Afternoon Shower sold at Christies in 2005 for \$114
Paintings	American Art before 1950	\$	150,000	\$	250,000	Betty Krulik	DIA no. 43.486	William Merritt	Chase	Portrait of a Lady in Black	c. 1895	Oil on canvas	72 x 35 in. (182.9 x 91.4 cm); Framed: 83 1/8 x 47 x 3 7/8 in.	very rarely do the large portraits sell, especially when they are women wearing BLACK in this case she is at least attractive. the most appropriate comparable is the Port of Miss D offered for sale in 2004 at Sothebys with a 250-350K estimate, and unsold- it is te same size, and is of a standing
Paintings	American Art before 1950	\$	500,000	\$	700,000	Betty Krulik	DIA no. 44.5	Marsden	Hartley	Log Jam, Penobscot Bay	1940-1941	oil on Masonite (TM)	Unframed: 30 1/16 _ 40 7/8 inches (76.4 _ 103.8 cm); Framed: 37 3/4 _ 47 3/4 _ 2 1/4 inches (95.9 _ 121.3 _ 5.7 cm)	woman (his daughter) in grey, the subject work is the most appropriate comparable is the Nova Scotia Fishermen which sold in 1997, as no other works of this size and dark quality have come up. the Gloucester Dogtown pictures and the New Mexico Recollection pictures are inappropriate. the Nova Scotia Fishermen sold for \$745K but the figural aspect raises the value.
Paintings	American Art before 1950	\$	2,500,000	\$	3,000,000	Betty Krulik	DIA no. 45.454	Georgia	O'Keeffe	Stables	1932	Oil on canvas	12 x 32 in.; 30.5 x 81.3 cm; Framed dimensions: 13 5/8 x 33 1/2 x 1 7/16 in.	a near exact comparable sold at Sothebys on May 21, 2014 it was slightly larger at 18 inches rather than 12 inches high, but same width, but the Sothebys work was a night scene, possibly more dramatic, it sold for \$2.9M including buyers premium
Paintings	American Art before 1950	\$	300,000	\$	400,000	Betty Krulik	DIA no. 45.455	Charles	Sheeler	Home Sweet Home	1931	Oil on canvas	Unframed: 36 x 29 in. (91.4 x 73.7 cm); Framed: 43 1/4 x 36 1/4 x 2 in. (109.9 x 92.1 x 5.1 cm)	The subject work was done multi patterned, and hard edge, but not a precisionist picture (which is the type of work for whichSheeler is best known) The Still Life with Tulips sold in May 2012 at Christies is the closest comparable, selling for \$422,000..
Paintings	American Art before 1950	\$	125,000	\$	175,000	Betty Krulik	DIA no. 45.469	Rembrandt	Peale	Self Portrait	1828	Oil on canvas	19 x 14 1/2 in. (48.3 x 36.8 cm); Framed: 25 5/16 x 20 9/16 x 3 1/2 in.	a nearly exact comparable is a self portrait that came on the market in 1999, selling for \$145,000. while it was years ago, it sets the standard for a Rembrandt Peale self portrait-- according to the photos on the DIA sight there seems to be conditon issues.
Paintings	American Art before 1950	\$	6,000,000	\$	8,000,000	Betty Krulik	DIA no. 46.134	Thomas	Cole	From the Top of Kaaterskill Falls	1826	Oil on canvas	31 1/8 x 41 1/8 in. (79.06 x 104.46 cm); Framed: 42 1/4 x 52 1/8 x 3 1/4 in.	The market for Cole's major works is rarely tested at auction. but the private market place when major works come to it, is robust. with the Warner picture selling privately in the \$20million range. The Warner picture was an icon. of similar size and date. A more conservative value is appropriate because this work is somewhat less dramatic, and most of the big buyers currently high end for american paintigns have already purchased their Coles.

Paintings	American Art before 1950	\$	700,000	\$	1,000,000	Betty Krulik	DIA no. 46.135	Martin Johnson Heade	Sunset	c. 1880	Oil on canvas	17 1/4 x 36 3/8 in. (43.8 x 92.4 cm); Framed: 28 1/16 x 47 3/16 x 5 in.	in the height of the market a very subtle work in untouched condition sold for almost \$3M. That work must be discounted as an anomaly, as it is so far from the regular trade in Heade. Most sunsets such as this, that come on the market are a slightly smaller size and sell for \$500-700,000. This being larger would have a higher value, but most important in Heade is CONDITION, if there is any staining from the sizing or inpaint the value can be significantly compromised. This value is pending
Paintings	American Art before 1950	\$	25,000,000	\$	45,000,000	Betty Krulik	DIA no. 46.309	James Abbott McNeill	Whistler Nocturne in Black and Gold, the Falling Rocket	1875	oil on panel	Framed: 36 3/4 _ 30 1/4 _ 3 1/4 inches (93.3 _ 76.8 _ 8.3 cm); Unframed: 23 3/4 _ 18 3/8 inches (60.3 _ 46.7 cm)	There is not a more important Whistler. This work would transcend the American Art Market, it would be sought after by any impressionist collector world wide, therefore. There are no comparables for Whistler, but one could look to Sargent as a world class artist that has sold for record prices due to his international status as an impressionist.
Paintings	American Art before 1950	\$	15,000,000	\$	20,000,000	Betty Krulik	DIA no. 46.310	John Singleton Copley	Watson and the Shark	1782	oil on canvas	Framed: 45 3/16 _ 39 _ 2 1/2 inches (114.8 _ 99.1 _ 6.4 cm); Unframed: 36 _ 30 1/2 inches (91.4 _ 77.5 cm)	This painting is a study for the large (72 x 90 inch) work at the Museum of Fine Arts, Boston. Being a smaller scale work is a benefit. It is one of the most famous American paintings of the colonial period. There are no major history paintings which to compare this work. It could be compared to the highest priced American paintings - Cole, Church, Durand. But since this is not the final work, but a study for the Boston picture, the value would be
Paintings	American Art before 1950	\$	400,000	\$	600,000	Betty Krulik	DIA no. 47.122	George Benjamin	Luks	1907	Oil on canvas	Unframed: 41 x 33 in. (104.1 x 83.8 cm)	Of the 200 Oils that have come on the market only 4 works sold for more than \$200K. The record price for a Luks is the Lilly Williams which sold for \$1.8M. The DIA painting is not in that category, as the figure is not a child. The closest comparable is On the Corner which sold in 1988 for \$385K, also images of children. While a great ASH CAN image, the market still likes attractive sitters. The color in this painting is an asset. there
Paintings	American Art before 1950	\$	3,000,000	\$	5,000,000	Betty Krulik	DIA no. 47.81	Winslow Homer	The Dinner Horn	1873	Oil on canvas	11 7/8 x 14 1/4 in. (30.2 x 36.2 cm); Framed: 20 7/8 x 23 x 3 1/2 in.	One of the great Homers of the 1870s. The Dinner Horn is more attractive than the larger Reverie picture that was unsold in 2011. The high price for a Homer Oil, was a picture slightly smaller but approximately the same date Peach Blossoms which sold for \$2.8 M in 2010. The subject work is a more attractive subject and has wonderful finish and would be highly sought after in the market.
Paintings	American Art before 1950	\$	20,000,000	\$	30,000,000	Betty Krulik	DIA no. 50.138	George Caleb Bingham	The Trappers' Return	1851	oil on canvas	Unframed: 26 1/4 _ 36 1/4 inches (66.7 _ 92.1 cm); Framed: 31 1/4 _ 41 1/16 _ 2 3/4 inches (79.4 _ 104.3 _ 7 cm)	This work is an icon by the artist, there are no comparables aside from the iconic paintings by American artists sold in the \$30-40,000,000. price range. Durand, Rockwell, Cole, Church.
Paintings	American Art before 1950	\$	300,000	\$	400,000	Betty Krulik	DIA no. 50.19	Albert Pinkham Ryder	The Tempest	1892, reworked 1896/1918	Oil on canvas	27 3/4 x 35 in.; 70.5 x 88.9 cm; Framed: 43 5/8 x 51 x 6 1/8 in.	While an important figure in American Art, Ryder is always a difficult "sell" because of condition issues. The only other large work to come on the market in 2010, was The Lorelie, 22 x 19, which failed to sell with an estimate of \$120-180,000. A rough time in the market. The record is \$209K for a small landscape in 2004. A more appropriate comp is At the Ford, a dark brooding work which while significantly smaller at 12 x 11 in., sold for \$113K. This work being 4 times the size would have a value in the \$3-400K range. Brown paintings are not at all

Paintings	American Art before 1950	\$	400,000	\$	600,000	Betty Krulik	DIA no. 50.31	John	Haberle	Grandma's Hearthstone	1890 oil on canvas	Unframed: 99 x 66 inches (251.5 x 167.6 cm); Framed: 100 1/4 x 70 5/8 x 2 3/8 inches (254.6 x 179.4 x 6 cm)	the record price of \$350K achieved in 2006 for a Confederate Note, is not an appropriate comparable as the subject work is not an monetary image and certainly not a southern image as was the Confederate Note. A more appropriate comparable from which to extrapolate a value is Wife, Wine and Song, which was 30 x 25 inches sold for 286K in 1987. The subject work has several problems, first it is so large as to have a stumbling block for sale, and it is not the money pictures which are the money makers for Haberle. Due to huge size the value must be conservatively placed at \$4-600K. or less.
Paintings	American Art before 1950	\$	150,000	\$	250,000	Betty Krulik	DIA no. 50.58	Charles Willson		James Peale; Alternate Title: The Lamplight Portrait; Alternate Title: The Lamplighter Portrait	1822 oil on canvas	Framed: 35 1/8 _ 43 7/8 _ 4 inches (89.2 _ 111.4 _ 10.2 cm); Unframed: 24 1/2 _ 36 inches (62.2 _ 91.4 cm)	it is the portraits of George Washington that make record prices, even though this is a wonderful portrait of the artists brother, the lack of color (predominantly brown) would hold this back in the market. For the non Washington portraits the high price is for David Rittenhouse important Philadelphia family, a work twice the size selling in 1986 for \$450K when the Dietrich family was buying- they are no longer buyers since Dietrich died. a more appropriate comparables are the Depyster and Bordley portraits that sold for \$104K and \$265K respectively therefore a avalue of \$150-250K is appropriate. Pending conditon, this work has the smokey ethereal quality that is sought after in Inness's late work, and has the benefit of good color in the sky
Paintings	American Art before 1950	\$	300,000	\$	500,000	Betty Krulik	DIA no. 51.331	George	Inness	The Lonely Pine; Alternate Title: The Lonely Pine - Sunset	1893 oil on canvas	Unframed: 30 1/2 _ 45 inches (77.5 _ 114.3 cm); Framed: 41 3/8 _ 56 1/2 _ 3 1/8 inches (105.1 _ 143.5 _ 7.9 cm)	
Paintings	American Art before 1950	\$	4,000,000	\$	6,000,000	Betty Krulik	DIA no. 51.66	Winslow	Homer	Defiance: Inviting a Shot Before Petersburg	1864 Oil on panel	Unframed: 12 x 18 in. (30.5 x 45.7 cm); Framed: 19 3/4 x 25 3/4 x 2 3/4 in. (50.2 x 65.4 x 7 cm)	An important civil war picture, ti would exceed the records for the Homer "home sweet home" which sold for \$2.6m in 1987
Paintings	American Art before 1950	\$	700,000	\$	1,000,000	Betty Krulik	DIA no. 52.118	John Singleton	Copley	Head of a Negro	1777/1778 Oil on canvas	21 x 16 1/4 in. (53.3 x 41.3 cm); Framed: 27 3/4 x 23 3/4 x 2 1/2 in. (70.5 x 60.3 x 6.4 cm)	a study for the African American man in Watson and the shark, it is a beautiful dignified portrait. There are no comparables, but the robust african american market would propel this work towards \$1M.
Sculpture	American Art before 1950	\$	600,000	\$	800,000	Betty Krulik	DIA no. 52.246	Augustus	Saint-Gaudens	Abraham Lincoln	1887/1912 Bronze	40 1/4 x 16 1/4 x 28 3/4 in. (102.2 x 41.3 x 73.0 cm)	the met purchased a version that was owned and sold by descendents of John Hay, several years ago, for this approximate price range.
Paintings	American Art before 1950	\$	2,000,000	\$	3,000,000	Betty Krulik	DIA no. 52.27	George Caleb	Bingham	The Checker Players	1850 Oil on canvas	25 x 30 in.; 63.5 x 76.2 cm; Framed: 30 1/2 x 35 9/16 x 2 3/4 in.	An important painting but not as iconic as the trappers return, this work would far exceed the auction record of \$493K which is the record for Bingham at auction. It is more in line with the values for Charles Deas, where the Winnebagos Playing Checkers sold in 2003 or \$775,000 but would trade today for \$2-3M.
Paintings	American Art before 1950	\$	500,000	\$	750,000	Betty Krulik	DIA no. 54.100	John Singer	Sargent	Judith Gautier	c. 1885 Oil on panel	Framed: 46 1/4 x 32 5/16 x 3 5/8 in. (117.48 x 82.07 x 9.21 cm); 39 x 24 1/2 in.; 99.1 x 62.2 cm	while the sitter is not fabulously beautiful, the background and the interior are beautifully painted. many of the full scale portraits have not sold in recent sales. The closest comparable is the Elsie Wagg portrait of a woman in a white dress that sold in December of 2013 for \$413K, this is more than a portrait, therefore a higher price.

Paintings	american art before 1950	\$	1,500,000	\$	2,000,000	Betty Krulik	DIA no. 54.118	Charles	Demuth	Buildings Abstraction, Lancaster	1931	Oil on board	Board: 27 7/8 x 23 5/8 in. (70.8 x 60.0 cm); Framed: 33 3/16 x 29 x 1 1/16 in. (84.3 x 73.7 x 2.7 cm)	Demuth oils are rare to the market, with only 6 works coming on the public market since the mid 1980s. A cubist tempera "In a Key of Blue" 19 x 16 in. came up and sold for \$1.6M, it was not as complex and colorful as the subject work. But the DIA picture is not as cubistic. Therefore the work is worth more than the Key of Blue, but not considerably more.
Paintings	American Art before 1950	\$	400,000	\$	600,000	Betty Krulik	DIA no. 55.175	Richard Caton	Woodville	The Card Players	1846	Oil on canvas	18 1/2 x 25 in. (47.0 x 63.5 cm); Framed: 27 1/8 x 33 9/16 x 2 5/8 in.	Woodville, like Charles Deas, is very rare to the market His most important painting was sold to Crystal Bridges for untold millions. However this work is more akin to Walking the Chalk, a Charles Deas of approximately the same size sold by Debra Force to the MFA, Houston, for approximately \$650,000.at the high point in the market.
Paintings	American Art before 1950	\$	700,000	\$	1,000,000	Betty Krulik	DIA no. 56.31	Thomas	Cole	American Lake Scene	1844	oil on canvas	Framed: 27 1/8 _ 33 _ 4 inches (68.9 _ 83.8 _ 10.2 cm); Unframed: 18 1/4 _ 24 1/2 inches (46.4 _ 62.2 cm)	The most appropriate comparable is the Christies 2009 work, View of Kaaterskill Clove, of similar size that sold for \$1,000,000. This work does not have the dramatic sky, but it does have an native american figure, and an excellent provenance which would be appealing to the market
Paintings	American Art before 1950	\$	2,500,000	\$	3,500,000	Sabine Wilson	DIA no. 59.11	Lyonel	Feininger	Fisher off the Coast	1941	Oil on canvas	canvas: 19 1/2 x 36 in. (49.5 x 91.4 cm); Framed: 26 15/16 x 44 x 2 3/8 in. (68.4 x 111.8 x 6 cm)	Summary not provided
Paintings	American Art before 1950	\$	80,000	\$	120,000	Betty Krulik	DIA no. 59.312	John Mix	Stanley	Mountain Landscape with Indians	1870/1875	Oil on canvas	Canvas: 18 x 30 1/4 in. (45.7 x 76.8 cm); Framed: 29 1/4 x 41 1/4 x 3 3/8 in. (74.3 x 104.8 x 8.6 cm)	of the 9 landscapes that have come on the market, most sell for under \$50,000. however this one with it's encampment of Native Americans, would be more appealing to the general market.
Paintings	American Art before 1950	\$	2,500,000	\$	3,500,000	Betty Krulik	DIA no. 61.165	John	Sloan	Wake of the Ferry, No. 1	1907	Oil on canvas	26 x 32 in.; 66.0 x 81.3 cm; Framed: 31 7/8 x 37 7/8 x 3 1/8 in.	An important painting, this Sloan is comaprable to the record priced works by the artist, while it has little color, it is an iconic ashcan picture. of concern is condition, the photo on the DIA website shows significant cracklure.
Paintings	American Art before 1950	\$	2,000,000	\$	3,000,000	Betty Krulik	DIA no. 61.28	Albert	Bierstadt	The Wolf River, Kansas	c. 1859	Oil on canvas	48 1/4 x 38 1/4 in. (122.6 x 97.2 cm); Framed: 61 5/16 x 51 1/2 x 5 1/8 in.	An Early work of the west with Indian Encampment, this would be sought after in the current market, where western paintings are strong due to the strength of the oil industry. While not the most iconic of works (those with sunsut skys and dramatic landscape) it has the native americans and the great early date, would put it towards the top of the
Paintings	American Art before 1950	\$	200,000	\$	300,000	Betty Krulik	DIA no. 67.254	William Merritt	Chase	Mrs. William Merritt Chase	c. 1890	Oil on canvas	Framed: 26 7/8 x 22 7/8 x 2 1/4 in. (67.15 x 58.10 x 5.72 cm); 20 x 16 in.; 50.8 x 40.6 cm	Most portraits of Mrs. Chase rarely make more than 250,000. however this work is particularly attractive. In 2000, Mrs. Chase in spanish costume (32 x 25 in.)made \$357,000. this is more attractive but considerably smaller, but very attractive.
Paintings	American Art before 1950	\$	3,500,000	\$	4,500,000	Sabine Wilson	DIA no. 69.305	Lyonel	Feininger	Sailboats	1929	Oil on canvas	17 x 28 1/2 in.; 43.2 x 72.4 cm; Framed Dimensions: 21 3/8 x 33 1 3/16	
Paintings	American Art before 1950	\$	2,500,000	\$	3,500,000	Betty Krulik	DIA no. 70.150	Winslow	Homer	The Four-Leaf Clover	1873	Oil on canvas	14 1/4 x 20 3/8 in. (36.2 x 51.8 cm); Framed: 25 x 31 x 4 in.	akin to the high price for a homer oil, the 4 leaf clover is of similar date but slightly smaller than Peach Blossoms which sold for \$2.8M.

Paintings	American Art before 1950	\$	300,000	\$	500,000	Betty Krulik	DIA no. 70.680	Theodore Robinson	Scene at Giverny; Alternate Title: Normandy Farm; Alternate Title: Farm House and Rick	1890 Oil on canvas	16 x 25 3/4 in.; 40.6 x 65.4 cm; Framed: 29 7/16 x 39 3/8 x 2 3/8 in.	Most straight landscapes without figures by robinson rarely sell, while this is a classic Giverny landscape, the high price for a landscape larger was in 1988 for \$330,000. a near exact comparable, but 23 x 40 inches (almost double in size). Robinson is known for the giverny landscape with figures, of attractive women.
Paintings	American Art before 1950	\$	200,000	\$	300,000	Betty Krulik	DIA no. 70.831	Benjamin West	Lot Fleeing from Sodom	1810 Oil on panel	Framed: 54 1/2 x 85 3/8 x 2 1/2 in. (138.43 x 216.85 x 6.35 cm); 47 1/8 x 78 1/8 in. (119.7 x 198.4 cm)	large history paintings that have little to do with American History rarely sell well, with the exception of The Battle of La Hogue at \$632,000 in 2006 a work of similar size. which sold against an estimate of 250,000. This being oversized and a relic of similar date to the record price of \$3.3M for the NYPublic Library work. at the height of the market, this would do well as she is attractive and an american sitter.
Paintings	American Art before 1950	\$	2,500,000	\$	3,500,000	Betty Krulik	DIA no. 70.900	John Singleton Copley	Hannah Loring	1763 Oil on canvas	49 3/4 x 39 1/4 in. (126.4 x 99.7 cm); Framed: 58 1/4 x 49 1/4 x 4 in.	
Paintings	American Art before 1950	\$	300,000	\$	500,000	Betty Krulik	DIA no. 72.839	Thomas Wilmer Dewing	Classical Figures	1898 Oil on panel	Center panel: 65 1/8 x 24 in. (165.4 x 61.0 cm); Left panel: 65 1/8 x 24 in. (165.4 x 61.0 cm); Right panel: 65 x 23 in.(165.1 x 58.4 cm); Framed: (H at left x W foot to) 74 1/4 x 76 1/2 in. (188.6 x 194.3 cm)	This series is very large and very faint and tonal. The most appropriate comparables are the 2004 (the height of the market) pair that came up at Shannons for 100-150K each. they were in rough condition and did not sell. These are of similar size and degree of tonality, better condition, therefore a value of \$300-500K is appropriate
Paintings	American Art before 1950	\$	1,500,000	\$	2,500,000	Betty Krulik	DIA no. 73.41	John Singer Sargent	Madame Paul Poirson	1885 Oil on canvas	60 x 34 in. (152.4 x 86.4 cm); Framed: 78 x 52 x 4 1/8 in.	Young women in white dresses are amongst the most saleable of Sargents portraits. in 2013 Mrs. Richard Derby sold for \$1.8M, however the most comparable work is the Mrs. Pauline Astor which sold for \$1.9M in 1997. the market for Sargent portraits has held steady. The market has been cautious in the past 5 years, evidenced by Mrs. C. Endicott selling in 2007 for \$2.1M, and reselling in 2010 for \$1.3.M (a drop of a third)
Paintings	American Art before 1950	\$	40,000,000	\$	60,000,000	Betty Krulik	DIA no. 76.89	Frederic Edwin Church	Cotopaxi	1862 oil on canvas	Unframed: 48 _ 85 in. (121.9 _ 215.9 cm); Framed: 66 5/8 in. _ 103 in. _ 6 1/4 in. (169.2 _ 261.6 _ 15.9 cm)	While this work is dramatic, large and iconic, the market at the highest end is very small. This appraiser would value the top end of the american art market in the 30-50M range as that is the range in which the Icons have sold over the past 10 years, at the height of the market, and now when the highest priced works have not exceeded \$50,000,000.
Paintings	American Art before 1950	\$	1,500,000	\$	2,500,000	Betty Krulik	DIA no. 78.38	Jasper Francis Cropsey	Indian Summer	1866 Oil on canvas	53 x 95 in. (134.6 x 241.3 cm); Framed: 74 5/8 x 116 1/2 x 7 1/2 in	Super large this work would make more than the record for Cropsey in the US of 1M, and nearly as much as the Richmond Hill picture that sold at this work is grey and tonal, it has some small figures holding flowers but it lacks the figural dominance that the market prefers in Hassams Paris views. the most appropriate comparable is the Larger (21 x 28) Quai St Michel, which sold for \$2M in 2011. even before the recession a rainy street scene sold in 2007 for \$1.2M
Paintings	American Art before 1950	\$	1,200,000	\$	1,800,000	Betty Krulik	DIA no. 79.143	Childe Hassam	Notre Dame Cathedral, Paris, 1888	1888 Oil on canvas	17 1/2 x 21 1/2 in.; 44.5 x 54.6 cm; Framed : 29 3/4 x 34 x 3 1/2	an important painting but difficult "sell" a value close to the Battle of La Hogue (\$632000 in 2006) example is appropriate, but less as the work is significantly smaller.
Paintings	American Art before 1950	\$	300,000	\$	500,000	Betty Krulik	DIA no. 79.33	Benjamin West	Death on the Pale Horse; Alternate Title: The Opening of the Four Seals	1796 Oil on canvas	23 3/8 x 50 5/8 in. (59.5 x 128.5 cm); Framed: 36 1/2 x 63 1/8 x 3 1/8 in.	

Paintings	American Art before 1950	\$	300,000	\$	500,000	Betty Krulik	DIA no. 82.26	John White	Alexander	Panel for Music Room	1894 Oil on canvas	37 x 77 3/4 in. (94.0 x 197.5 cm); Framed: 50 1/2 x 90 3/4 x 3 in.	This work is large, while it is lovely the size is a detriment, the record price for Alexander is \$500,000. in 1995., it was just a bit larger, than the subject work. Few Alexanders and no comparables have come on the market in the last 15 years. the one that did repeat only increased in price by 10% in 15 years.	
Sculpture	American Art before 1950	\$	40,000	\$	60,000	Betty Krulik	DIA no. 82.3	Paul	Manship	The Moods of Time: Evening	1938 Bronze	44 x 67 in.; 111.8 x 170.2 cm	The set of two came up at bonhams in 2009 selling for \$90K, therefore the individual Moods of Time, Evening would be worth half.	
Paintings	American Art before 1950	\$	1,800,000	\$	2,200,000	Betty Krulik	DIA no. 2011.18	Sanford Robinson	Gifford	On the Nile	1872 Oil on canvas	17 x 31 in.	A recent purchase the purchase price is the Fair Market Value	
Paintings	European Painting	\$	80,000	\$	120,000	Betty Krulik	DIA no. 85.3	Rembrandt	Peale	The Court of Death	1820 Oil on canvas	Framed: 152 x 295 x 7 inches (386.08 x 749.3 x 17.78 cm); 138 x 281 inches (350.5 x 713.7 cm)	this very large allegory is a difficult sell because of its huge format, and dark subject matter. It is unlikely that it would be shown by a collector or an institute due to its large size. Closest comps are not	
Artvest Total American Art		\$	220,235,000	\$	322,205,000									
Furniture	American Art before 1950	\$	800,000	\$	1,200,000	JHY	DIA no. 48.274	Nathan	Bowen	Chest on Chest	1774 Mahogany, white pine and brass	90 1/2 x 45 1/2 x 23 1/2 in.; 229.9 x 115.6 x 59.7 cm	Sotheby's NY, Jan. 23, 2009, lot 174, \$1,762,500; Sotheby's NY, Jan. 19, 2002, lot 189, \$913,250; Christie's NY, Jan. 17, 2008, lot 461, \$1,049,000	
Furniture	American Art before 1950	\$	400,000	\$	600,000	JHY	DIA no. 66.131	George	Bright	Secretary; Alternate Title: Secretary Bookcase	between 1770 and 1785	mahogany, white pine, mirrors, gilt and brass	Overall: 102 1/2 in. _ 42 1/2 in. _ 24 in. (260.4 _ 108 _ 61 cm)	Sotheby's NY, Jan. 22, 2004, lot 1169, \$430,400; Sotheby's NY, Jan 19, 2007, Lot 585, \$420,000 Sotheby's NY Jan. 18, 2008, lot 186, \$337,000.
Furniture	American Art before 1950	\$	1,000,000	\$	2,000,000	JHY	DIA no. 73.3	Henry Clifton and Thomas	Carteret	High Chest of Drawers; Alternate Title: High Boy	1755/1765	Mahogany and brass	overall height: 96 3/4 in.; 245.7 cm; top: 59 1/2 x 45 x 22 5/8 in.; 151.1 x 114.3 x 57.5 cm; bottom: 37 1/4 x 44 1/4 x 22 1/4 in.; 94.6 x 112.4 x 56.5 cm	Comparable one was a sale for \$1.8 million Christie's NY auction, May 19, 2005, lot 109; comparable two was from Christie's NY auction September 25, 2008, Lot 31, \$1,082,500; comparable three is a dressing table from Sotheby's NY, September 26, 2008, lot 9 for \$1,142,500.
Timepieces	Timepieces	\$	60,000	\$	80,000	JHY	DIA no. 1997.72.A	Louis Comfort	Tiffany	Tall Case Clock	1882/1883	Mahoganized cherry; stained glass; silvered bronze and leather	Clock and base: 97 x 20 3/4 x 20 3/4 in. (246.4 x 52.7 x 52.7 cm)	Sotheby's NY, Ocotober, 13- 15, 2004, lot 712, \$54,000; Sotheby's NY, October 12, 2004, lot 70, \$54,000
Artvest Total American Furniture		\$	2,260,000	\$	3,880,000									

Sculpture	Ancient Near Eastern Art Sculpture	\$	30,000,000	\$	70,000,000	JHY	DIA no. 31.25	Neo-Babylonian	Ishtar Gate, Dragon of Marduk; title: Ishtar Gate, Dragon of Marduk; Alternate Title: Mushhush	between 604 and 562 BCE	glazed terracotta and molded brick	Overall: 45 1/2 _ 65 3/4 inches (115.6 _ 167 cm)	No direct auction comparables. The closest would be the Diana sold by Albright-Knox, Sotheby's, June 7, 2006, for \$28 million; or the Limestone figure of a Lionness, Sotheby's, December 5, 2007 for \$57 million formerly from the Martin Collection. Other terracotta fragments in Museums in North America have lions, this is the only one that is a dragon. Also, this specific example came from the wall of the gate itself; the lions were along the wall flanking the way, and this could be an important differential in selling price were this to be sold at auction, hence our large spread in the estimate.
Sculpture	Ancient Near Eastern Art Sculpture	\$	40,000,000	\$	80,000,000	JHY	DIA no. 50.32	Neo-Assyrian	Tiglath-Pileser III Receiving Homage	745/727 BC	Limestone relief carving	48 x 94 in.; 121.9 x 238.8 cm	An Assyrian relief in the Miho Museum is 110 x 183 cm. (roughly half the size of the one in the DIA collection) and was purchased by them in the early 90's setting a new record price at approximately \$12 million at Sotheby's NY, the last time a figurative panel from this important site was sold at auction. On December 10, 2010, lot 33 sold for \$290 thousand, which was approximately 10cm. x 10 cm.
Sculpture	Ancient Near Eastern Art Sculpture	\$	10,000,000	\$	30,000,000	JHY	DIA no. 82.64	Neo-Sumerian	Gudea of Lagash	2141/2122 BC	Paragonite	15 1/2 x 5 1/4 x 2 1/2 in. (39.37 x 13.34 x 6.35 cm)	No direct auction comparables. Figures from this culture are very rare. Three more primitive figures from an earlier (and less valuable period) were sold at auction: Sotheby's NY, June 7, lot 80, \$3,176,000, An Elamite copper figure, circa 300 - 2800 BC from teh Albright-Knox Museum; Sotheby's NY June 7, 2007 lot 81, \$1,720,000, A Sumerian figure from the Albright-Knox Museum; and Sotheby's NY, Dec. 10, 2008, lot 59, \$782,500.

Artvest Total	\$	80,000,000	\$	180,000,000
Ancient Near Eastern Art				

Paintings	Asian Art	\$	200,000	\$	300,000	JHY	DIA no. 40.161	Shen	Zhou	Ode to the Pomegranate and Melon Vine	c. 1506/1509	Ink and colors on paper	Image: 59 3/16 x 31 in.; Overall scroll including hanging fabric and bottom roller: 111 5/8 x 41 in.; 280.7 x 104.1 cm	Christie's Hong Kong, October 27, 2002, lot 418, \$224,133; Christie's Hong Kong, March 18, 2009, lot 339, \$218,500
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Artvest Total	\$	200,000	\$	300,000
Asian Art				

Sculpture	Contemporary Art after 1950	\$	26,000,000	\$	28,000,000	Sabine Wilson	DIA no. 1988.175	Alberto	Giacometti	Standing Woman II; Title: Grand femme debout II	1960 bronze	Overall: 108 1/2 inches _ 12 1/4 inches _ 23 inches (275.6 _ 31.1 _ 58.4 cm)	Summary not provided
Paintings	Contemporary Art after 1950	\$	10,000,000	\$	15,000,000	Sabine Wilson	DIA no. 1988.177	Willem	de Kooning	Merritt Parkway	1959 Oil on canvas	Canvas: 80 x 70 1/2 in. (203.2 x 179.1 cm); Framed: 81 x 70 7/8 x 7 in	Summary not provided

Paintings	Contemporary Art after 1950	\$	3,000,000	\$	5,000,000	Betty Krulik	DIA no. 1988.18	Joan	Mitchell	Before, Again II	1985 Oil on canvas	110 x 78 3/4 x in. (200.0 cm x 279.4); Framed: 111 3/8 x 79 7/8 x 2 1/4 in. (282.9 x 203.1 x 5.7 cm)	Mitchell prices are in flux currently, two almost exact comparable sold in December of 2013 in Sothebys Paris for \$4.7M, and another at Christies Paris in May of 2013 for \$2.8M. Works from the 1960s have made record prices in the past year, but the 1980s are steady.
Paintings	Contemporary Art after 1950	\$	6,000,000	\$	8,000,000	Sabine Wilson	DIA no. 1992.1	Roy	Lichtenstein	Interior with Mirrored Closet	1991 Oil and magna on canvas	118 1/4 x 144 1/8 x 2 5/8 in. (300.4 x 366.1 x 6.7 cm)	Summary not provided
Paintings	Contemporary Art after 1950	\$	1,500,000	\$	2,000,000	Sabine Wilson	DIA no. 2010.106	Philip	Guston	Driver	1975 Oil on canvas	Framed: 72 1/2 x 76 1/2 in.; Unframed: 63 1/4 x 67 1/4 in.	Summary not provided
Paintings	Contemporary Art after 1950	\$	9,000,000	\$	12,000,000	Sabine Wilson	DIA no. 55.353	Francis	Bacon	Study for Crouching Nude	1952 oil and sand on canvas	Framed: 85 3/8 _ 61 1/2 _ 3 7/8 inches (216.9 _ 156.2 _ 9.8 cm); Canvas: 45 1/2 x 35 in. (115.6 x 88.9 cm); Framed: 46 5/8 x 35 7/8 x 1 3/4 in. (118.4 x 91.1 x 4.4 cm)	Summary not provided
Paintings	Contemporary Art after 1950	\$	2,500,000	\$	4,000,000	Sabine Wilson	DIA no. 60.88	Alberto	Giacometti	Annette Seated	1958 Oil and pencil on canvas	Framed: 46 5/8 x 35 7/8 x 1 3/4 in. (118.4 x 91.1 x 4.4 cm)	Summary not provided
Paintings	Contemporary Art after 1950	\$	3,000,000	\$	4,000,000	Betty Krulik	DIA no. 63.156	Stuart	Davis	Standard Brand	1961 Oil on canvas	60 x 46 in. (152.4 x 116.8 cm); Framed: 67 5/8 x 53 3/4 x 2 5/8 in. (171.8 x 136.5 x 6.7 cm)	a large but LATE work, most of these late works are smaller 20 x 14 ish, and sell in the 700K range this being significantly larger would sell for close to the records.
Paintings	Contemporary Art after 1950	\$	1,500,000	\$	2,000,000	Sabine Wilson	DIA no. 64.155.A	Robert	Indiana	The Brooklyn Bridge; Alternate Title: Night 1	1964 Oil on canvas	135 x 135 x 1 1/2 in.; 342.9 x 342.9 x 3.81 cm	Summary not provided
Paintings	Contemporary Art after 1950	\$	18,000,000	\$	24,000,000	Sabine Wilson	DIA no. 65.310	Clyfford	Still	Painting, 1951; title: Painting, 1951	1951 Oil on canvas	93 1/2 x 82 x 1 1/2 in. (237.49 x 208.28 x 3.81 cm)	Summary not provided
Paintings	Contemporary Art after 1950	\$	15,000,000	\$	20,000,000	Sabine Wilson	DIA no. 65.7	Franz	Kline	Siskind	1958 Oil on canvas	Canvas: 80 x 111 in. (203.2 x 281.9 cm); Framed: 81 1/2 x 112 1/2 x 2 3/8 in. (207.01 x 285.75 x 6.03 cm); Canvas: 80 x 111 in. (203.2 x 281.9 cm); Framed: 81 1/2 x 112 1/2 x 2 3/8 in. (207.01 x 285.75 x 6.03 cm)	Summary not provided
Sculpture	Contemporary Art after 1950	\$	3,000,000	\$	5,000,000	Betty Krulik	DIA no. 65.76	John	Chamberlain	Coo Wha Zee	1962 Painted steel	72 x 60 x 50 in.; 182.9 x 152.4 x 127.0 cm	a large works of excellent date. the record prices are over \$4M.in recent years.
Paintings	Contemporary Art after 1950	\$	30,000,000	\$	40,000,000	Sabine Wilson	DIA no. 65.8	Mark	Rothko	Orange, Brown; Alternate Title: No. 202 (Orange, Brown)	1963 Oil on canvas	Canvas: 89 1/2 x 70 in. (227.3 x 177.8 cm); Framed: 90 1/8 x 69 1/8 x 2 1/2 in. (228.9 x 175.6 x 6.4 cm)	Summary not provided

Sculpture	Contemporary Art after 1950	\$	10,000,000	\$	20,000,000	Betty Krulik	DIA no. 66.36	David	Smith	Cubi I	1963 Stainless steel	124 x 34 1/2 x 33 1/2 in.; 315 x 87.6 x 85 cm	Few of these great works have come on the market in 1994 a record was achieved for a similarly dated work of \$4M. then in 2005 the recent record of \$23M was set for another large work from the same series. with the wild upswing in the contemporary masters market an appropriate value would range from \$10-20M, as this work has the balance issues for which he is best known.
Paintings	Contemporary Art after 1950	\$	2,000,000	\$	2,500,000	Sabine Wilson	DIA no. 66.68	Frank	Stella	Union I	1966 Alkyd fluorescent and epoxy paints on canvas	104 1/2 x 173 3/4 x 4 1/8 in. (265.4 x 441.3 x 10.5 cm)	Summary not provided
Sculpture	Contemporary Art after 1950	\$	3,000,000	\$	4,000,000	Betty Krulik	DIA no. 67.113	Alexander	Calder	The X and Its Tails	1967 Steel plate with black paint	120 x 120 x 144 in.; 304.8 x 304.8 x 365.8 cm	Calders The Wave and The Clove sold by Christies in 2011 for \$3.8M and \$2.8M are the most appropriate comparables due to the size and date of execution. Also the fact that they are Stables, not mobiles
Paintings	Contemporary Art after 1950	\$	20,000,000	\$	25,000,000	Sabine Wilson	DIA no. 68.292.1	Andy	Warhol	Self Portrait; former: Double Self Portrait	1967 acrylic and silkscreen enamel on canvas	Framed: 72 1/4 _ 72 1/4 _ 1 3/8 in. (183.5 _ 183.5 _ 3.5 cm); Unframed: 72 _ 72 in. (182.9 _ 182.9 cm)	Summary not provided
Paintings	Contemporary Art after 1950	\$	20,000,000	\$	25,000,000	Sabine Wilson	DIA no. 68.292.2	Andy	Warhol	Self Portrait	1967 Screen print in paint on canvas	Panel: 72 x 72 in. (182.9 x 182.9 cm); Framed: 72 1/4 x 72 1/4 x 1 3/8 in. (183.5 x 183.5 x 3.5 cm)	Summary not provided

Paintings	Contemporary Art after 1950	\$	6,000,000	\$	8,000,000	Sabine Wilson	DIA no. 69.1	Jean	Dubuffet	Le plomb dans l'aile; Alternate Title: Shot in the Wing; Alternate Title: Hard Hit	1961 Oil on canvas	Canvas: 74 1/2 x 98 3/4 in. (189.2 x 250.8 cm); Framed: 75 7/8 x 100 x 3 1/4 in. (192.7 x 254 x 8.3 cm)	Summary not provided
Sculpture	Contemporary Art after 1950	\$	300,000	\$	500,000	Betty Krulik	DIA no. 69.361	Ellsworth	Kelly	Black White	1968 Painted 1/2 inch aluminum	100 x 146 x 40 in.; 254.0 x 370.8 x 101.6 cm	known primarily for shaped canvases and sculpture and the works that sell best are from the 1980s, this early minimal work is monumental and shows the artists direction but is not iconic.therefore a modest value is appropriate
Paintings	Contemporary Art after 1950	\$	5,000,000	\$	7,000,000	Sabine Wilson	DIA no. 69.48	Robert	Rauschenberg	Creek	1964 Screen print in oil on canvas	Canvas: 72 x 96 in. (182.9 x 243.8 cm); Framed: 72 5/8 x 96 3/4 x 1 7/8 in. (184.5 x 245.8 x 4.8 cm)	Summary not provided
Paintings	Contemporary Art after 1950	\$	1,200,000	\$	1,800,000	Sabine Wilson	DIA no. 71.385.A	Richard	Artschwager	Hospital Ward	1968/1969 Acrylic on celotex	each panel: 68 3/4 x 45 5/8 x 1 1/2 in. (174.6 x 115.9 x 3.8 cm); Total triptych: 68 3/4 x 136 7/8 x 1 1/2 in. (174.6 x 347.7 x 3.8 cm)	Summary not provided
Paintings	Contemporary Art after 1950	\$	35,000,000	\$	45,000,000	Sabine Wilson	DIA no. 76.78	Barnett	Newman	Be I (second version)	1970 Acrylic on canvas	111 1/2 x 84 x 1 5/16 in. (283.2 x 213.4 x 3.3 cm)	Summary not provided
Sculpture	Contemporary Art after 1950	\$	300,000	\$	400,000	Betty Krulik	DIA no. 76.95	Robert	Smithson	Non Site - Site Uncertain	1968 cannel coal, steel and enamel	Overall: 15 _ 90 _ 90 inches (38.1 _ 228.6 _ 228.6 cm)	other non site works withthe same materials have come on the market in the last 5 to 6 years and made \$385K, and slightly less prior. with the market for this rare earth artist rising a value of 3-400K is appropriate
Paintings	Contemporary Art after 1950	\$	1,500,000	\$	2,500,000	Betty Krulik	DIA no. 77.12	Andrew	Wyeth	Sea Boots	1976 Tempera on masonite	29 x 19 3/4 in. (73.7 x 50.2 cm); Framed : 34 1/2 x 25 2/16 x 1 3/4 in. (87.63 x 64.29 x 4.45 cm)	The wyeth market has been flat since shortly after the artis died in 2009. we saw a short spike up in prices then most of the major temperas have failed to sell. This work while small is of the great date, and has the air of mystery for which Wyeth is well known.
Sculpture	Contemporary Art after 1950	\$	6,000,000	\$	8,000,000	Betty Krulik	DIA no. 79.34	Eva	Hesse	Accession II	1969 galvanized steel and vinyl	Overall: 30 3/4 _ 30 3/4 _ 30 3/4 inches (78.1 _ 78.1 _ 78.1 cm)	The highest price at auction is \$3 to \$4 million for quite different works, but nothing this complex has come up for auction.

Artvest	\$	238,800,000	\$	318,700,000
Contemporary Art				
After 1950				

Paintings	European Modern Art to 1950	\$	15,000,000	\$	20,000,000	Sabine Wilson	DIA no. 1988.176	Pablo	Picasso	Seated Woman	1960 Oil on canvas	Canvas: 57 1/2 x 45 in. (146.1 x 114.3 cm); Framed: 58 5/8 x 46 1/4 x 2 in. (148.9 x 117.5 x 5.08 cm)	Summary not provided
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Paintings	European Modern Art to 1950	\$	2,000,000	\$	3,000,000	Sabine Wilson	DIA no. 1988.178	Pablo	Picasso	Fruit, Carafe and Glass	1938 Oil on canvas	25 5/8 x 32 in.; 65.1 x 81.3 cm	Summary not provided
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Paintings	European Modern Art to 1950	\$	1,000,000	\$	3,000,000	Sabine Wilson	DIA no. 1999.119.A	Raoul	Dufy	The Allegory of Electricity	1936/1937	Watercolor, gouache on paper mounted on canvas	Overall: 38 1/2 x 235 in. (97.8 x 596.9 cm)	Summary not provided
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Paintings	European Modern Art to 1950	\$	18,000,000	\$	22,000,000	Sabine Wilson	DIA no. 2005.60	Pablo	Picasso	Girl Reading	1938 Oil on canvas	Framed: 35 1/2 x 30 in.; Unframed: 27 1/4 x 21 3/4 inches	Summary not provided
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Paintings	European Modern Art to 1950	\$	4,500,000	\$	6,500,000	Sabine Wilson	DIA no. 2005.62	Henri	Matisse	Anemones and Peach Blossoms	1944 Oil on canvas	Unframed: 21 3/4 _ 25 1/2 in. (55.2 _ 64.8 cm); Framed: 31 1/8 _ 35 1/2 _ 3 3/4 in. (79.1 _ 90.2 _ 9.5 cm)	Summary not provided
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Sculpture	European Modern Art to 1950	\$	800,000	\$	1,200,000	Sabine Wilson	DIA no. 2006.153	Raymond	Duchamp-Villon	Le Cheval Majeur (The Large Horse)	modeled 1914, Cast bronze cast 1966	59 x 58 1/2 x 31 1/2 in.	Summary not provided	
Sculpture	European Modern art to 1950	\$	25,000,000	\$	30,000,000	Sabine Wilson	DIA no. 22.143	Auguste	Rodin	The Thinker	1904 Bronze	200.7 x 130.2 x 140.3 cm (79 x 51 1/4 x 55 1/4 in.); weight approximately 2,000 lbs; Granite base weight 12,000 lbs	Summary not provided	
Paintings	European Modern Art to 1950	\$	80,000	\$	140,000	Sabine Wilson	DIA no. 30.291	Max	Kaus	Man in a Fur Coat	c. 1918	Oil on canvas	Canvas: 29 1/2 x 25 3/4 in. (74.9 x 65.4 cm); Framed: 37 x 33 7/16 x 1 3/4 in. (94 x 84.8 x 4.4 cm)	Summary not provided
Paintings	European Modern Art to 1950		Zero		value of the real estate	Betty Krulik	DIA no. 33.10	Diego M.	Rivera	Detroit Industry Murals	1932-1933	frescoes	various dimensions	the works would be destroyed if they were removed from the building, therefore the value is 0 OR the value of the real estate
Paintings	European Modern Art to 1950	\$	2,000,000	\$	3,000,000	Sabine Wilson	DIA no. 35.110	Oskar	Kokoschka	View of Jerusalem	1929-1930	oil on canvas	Unframed: 31 1/2 _ 50 1/2 inches (80 _ 128.3 cm); Framed: 42 7/8 _ 61 13/16 _ 4 1/2 inches (108.9 _ 157 _ 11.4 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	700,000	\$	1,000,000	Sabine Wilson	DIA no. 37.2	Karl	Schmidt-Rottluff	Rain Clouds, Lago di Garda	1927	Oil on canvas	Framed: 43 x 52 7/8 x 2 7/8 in. (109.2 x 134.3 x 7.3); Canvas: 34 1/2 x 44 1/4 in. (87.6 x 112.4 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	5,000,000	\$	7,000,000	Sabine Wilson	DIA no. 40.58	Ernst Ludwig	Kirchner	Winter Landscape in Moonlight; Alternate Title: Mountain Landscape	1919	Oil on canvas	Unframed: 47 1/2 x 47 1/2 in. (120.7 x 120.7 cm); Framed: 50 1/2 x 50 1/2 x 2 5/8 in. (128.3 x 128.3 x 6.7 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	1,500,000	\$	2,500,000	Sabine Wilson	DIA no. 44.271	Heinrich	Campendonk	In the Forest; Alternate Title: Im Wald	ca 1919	Oil on canvas	Canvas: 33 x 39 in. (83.8 x 99.1 cm); Framed: 38 1/4 x 44 3/16 x 2 in. (97.2 x 112.2 x 5.1 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	1,500,000	\$	2,500,000	Sabine Wilson	DIA no. 50.20	Max	Beckmann	Still Life with Lilies	1949	Oil on canvas	Canvas: 37 1/4 x 24 in. (94.6 x 61.0 cm); Framed: 43 1/2 x 31 7/8 x 2 5/8 in	Summary not provided
Paintings	European Modern Art to 1950	\$	3,000,000	\$	5,000,000	Sabine Wilson	DIA no. 51.65	Otto	Dix	Self Portrait	1912	Oil on paper mounted on poplar panel	Panel: 29 x 19 1/2 in. (73.7 x 49.5 cm); Framed: 34 5/8 x 25 1/2 x 3 1/2 in. (87.95 x 64.8 x 8.89 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	200,000	\$	300,000	Sabine Wilson	DIA no. 53.470	Oskar	Kokoschka	The Cat	1926	Oil on canvas	Framed: 47 7/16 x 61 1/4 x 3 3/8 in. (120.5 x 155.6 x 8.6 cm); Canvas: 35 3/4 x 49 1/2 in. (90.8 x 125.7 cm)	Summary not provided

Paintings	European Modern Art to 1950	\$	2,000,000	\$	3,000,000	Sabine Wilson	DIA no. 54.460	Emil	Nolde	Sunflowers; Alternate Title: Reife Sonnenblumen	1932	Oil on canvas	Canvas: 29 x 35 in. (73.7 x 88.9 cm); Framed: 35 1/2 x 42 3/4 x 3 in. (90.17 x 108.59 x 7.62 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	18,000,000	\$	24,000,000	Sabine Wilson	DIA no. 55.410	Max	Beckmann	Self Portrait in Olive and Brown	1945	Oil on canvas	Canvas: 23 3/4 x 19 5/8 in. (60.3 x 49.8 cm); Framed: 31 5/8 x 27 1/4 x 2 3/8 in. (80.3 x 69.2 x 6.0 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	25,000,000	\$	40,000,000	Sabine Wilson	DIA no. 56.144	Franz	Marc	Animals in a Landscape	1914	Oil on canvas	Canvas: 43 3/8 x 39 1/4 in. (110.2 x 99.7 cm); Framed: 46 7/8 x 43 x 2 1/4 in. (119 x 109.2 x 5.7 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	1,500,000	\$	2,500,000	Sabine Wilson	DIA no. 57.182	Otto	Mueller	Gypsy Encampment; Alternate Title: Zigeuner vor Zeit	c. 1925	Oil on canvas (see notes)	Canvas: 41 1/2 x 57 in. (105.4 x 144.8 cm); Framed: 43 1/2 x 59 5/16 x 2 3/4 in. (110.5 x 150.6 x 7 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	20,000,000	\$	30,000,000	Sabine Wilson	DIA no. 57.234	Wassily	Kandinsky	Study for Painting with White Form	1913	oil on canvas	Framed: 41 3/8 _ 36 1/2 _ 1 1/2 inches (105.1 _ 92.7 _ 3.8 cm); Unframed: 39 1/4 _ 34 3/4 inches (99.7 _ 88.3 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	1,500,000	\$	2,500,000	Sabine Wilson	DIA no. 58.385	Paula	Modersohn-Becker	Old Peasant Woman	c. 1905	Oil on canvas	Canvas: 29 3/4 x 22 3/4 in. (75.6 x 57.8 cm); Framed: 36 x 29 x 2 1/4 in. (91.4 x 73.7 x 5.7 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	800,000	\$	1,200,000	Sabine Wilson	DIA no. 59.443	Pierre	Bonnard	Woman with Dog	1924	Oil on canvas	31 x 15 5/8 in. (78.7 x 39.7 cm); Framed: 37 1/2 x 22 1/2 x 2 5/8 in. (95.3 x 57.2 x 6.7 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	1,200,000	\$	1,600,000	Sabine Wilson	DIA no. 59.450	Ernst Ludwig	Kirchner	Cafe	1928	Oil on canvas	Canvas: 31 1/2 x 27 1/2 in. (80.0 x 69.8 cm); Framed: 37 1/2 x 33 1/2 x 1 1/2 in.	Summary not provided
Paintings	European Modern Art to 1950	\$	1,000,000	\$	1,500,000	Sabine Wilson	DIA no. 61.48	Joan	Miró	Women and Bird in the Night; Alternate Title: Femmes et Oiseau dans la Nuit	1944	Oil on canvas	15 x 18 in.; 38.1 x 45.7 cm; Framed dimensions: 22 1/2 x 25 3/4 x 2 1/2	Summary not provided
Paintings	European Modern Art to 1950	\$	12,000,000	\$	15,000,000	Sabine Wilson	DIA no. 62.126	Pablo	Picasso	Portrait of Manuel Pallares	1909	Oil on canvas	26 3/4 x 19 1/2 in. (67.9 x 49.5 cm); Framed: 37 1/4 x 30 3/4 x 3 3/8 in. (94.6 x 78.1 x 8.6 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	3,000,000	\$	4,500,000	Sabine Wilson	DIA no. 62.141	Pablo	Picasso	Sylvette	1954	Oil on canvas	Unframed: 39 1/4 x 32 in. (99.7 x 81.3 cm); Framed: 48 5/8 x 41 x 1 3/4 in. (123.5 x 104.1 x 4.4 cm)	Summary not provided

Sculpture	European Modern Art to 1950	\$	600,000	\$	800,000	Sabine Wilson	DIA no. 62.97	Henry Moore	Reclining Figure	1930	Ancaster stone	13 x 20 1/4 x 7 3/4 in.; 33 x 51.4 x 19.7 cm	Summary not provided
Paintings	European Modern Art to 1950	\$	700,000	\$	1,000,000	Sabine Wilson	DIA no. 63.133	Oskar Kokoschka	Girl with Doll	c. 1921	Oil on canvas	Canvas: 36 x 32 in. (91.4 x 81.3 cm); Framed: 43 1/4 x 39 3/8 x 2 1/2 in. (109.9 x 100.0 x 6.4 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	800,000	\$	1,200,000	Sabine Wilson	DIA no. 63.134	Karl Schmidt-Rottluff	Man with a Green Beard	c. 1920	Oil on canvas	Framed: 42 5/16 x 36 3/4 x 2 1/8 in. (107.5 x 93.4 x 5.4 cm); Canvas: 35 1/2 x 30 1/4 in. (90.2 x 76.8 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	1,500,000	\$	2,500,000	Sabine Wilson	DIA no. 63.135	Karl Schmidt-Rottluff	Evening by the Sea	1919	Oil on canvas	Canvas: 34 x 39 3/4 in. (86.4 x 101.0 cm); Framed: 38 3/4 x 44 1/4 x 1 5/8 in. (98.4 x 112.4 x 4.1 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	700,000	\$	1,000,000	Sabine Wilson	DIA no. 64.218	Karl Hofer	Wind	1937	Oil on canvas	Canvas: 48 x 38 3/4 in. (121.9 x 98.4 cm); Framed: 52 3/8 x 44 3/16 x 2 1/2 in. (133 x 113.3 x 6.4 cm); Unframed: 51 x 77 in. (129.5 x 195.6 cm)	Summary not provided
Sculpture	European Modern Art to 1950	\$	800,000	\$	1,500,000	Sabine Wilson	DIA no. 64.264	Jean Arp	Torso of a Giant	1964	Bronze	49 x 34 x 35 in.; 124.5 x 86.4 x 88.9 cm	Summary not provided
Paintings	European Modern Art to 1950	\$	6,000,000	\$	8,000,000	Sabine Wilson	DIA no. 64.84	Juan Gris	Still Life	1916	Oil on canvas	Canvas: 31 3/4 x 23 1/2 in. (80.6 x 59.7 cm); Framed: 40 3/8 x 32 1/2 x 2 1/8 in. (102.55 x 81.44 x 5.08 cm)	Summary not provided
Sculpture	European Modern Art to 1950	\$	2,500,000	\$	5,000,000	Sabine Wilson	DIA no. 65.108	Henry Moore	Reclining Figure	1939	elmwood	Overall: 37 _ 79 _ 30 in. (94 _ 200.7 _ 76.2 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	12,000,000	\$	14,000,000	Sabine Wilson	DIA no. 66.66	Joan Miró	Self Portrait II; translated: Autoportrait II	1938	oil on burlap	Framed: 52 3/8 _ 78 1/16 _ 2 1/2 in. (133 _ 198.3 _ 6.4 cm); Unframed: 51 _ 77 in. (129.5 _ 195.6 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	8,000,000	\$	12,000,000	Sabine Wilson	DIA no. 70.158	Vincent Willem van Gogh	The Diggers; Alternate Title: Les Becheurs	1889	Oil on paper lined onto canvas	25 5/8 x 19 3/4 in. (65.1 x 50.2 cm); Framed: 35 5/8 x 29 3/4 x 2 1/2 in. (90.5 x 75.6 x 6.4 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	18,000,000	\$	22,000,000	Sabine Wilson	DIA no. 70.161	Paul Cézanne	Mont Sainte-Victoire	c. 1904/1906	Oil on canvas	21 7/8 x 18 1/8 in.; 55.6 x 46.0 cm; Framed: 28 1/2 x 24 3/4 x 2 3/4 in.; 72.4 x 62.9 x 7.0 cm	Summary not provided
Paintings	European Modern Art to 1950	\$	22,000,000	\$	26,000,000	Sabine Wilson	DIA no. 70.175	Henri Matisse	Poppies	c. 1919	Oil on canvas	39 5/8 x 32 in. (100.6 x 81.3 cm); Framed: 47 5/8 x 40 1/4 x 3 5/8 in. (121.0 x 102.2 x 9.2 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	1,500,000	\$	2,500,000	Sabine Wilson	DIA no. 70.185	Amedeo Modigliani	Young Man with a Cap	20th Century	Oil on canvas	Canvas: 24 x 14 7/8 in. (61.0 x 37.8 cm); Framed: 30 15/16 x 21 15/16 x 2 3/8 in. (78.6 x 55.7 x 6.1 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	4,000,000	\$	8,000,000	Sabine Wilson	DIA no. 70.186	Amedeo Modigliani	A Man	1916	Oil on canvas	Framed: 28 3/8 x 24 13/16 x 3 3/4 in. (72.1 x 63 x 9.5 cm); Canvas: 18 1/8 x 15	Summary not provided

Paintings	European Modern Art to 1950	\$	60,000,000	\$	80,000,000	Sabine Wilson	DIA no. 70.190	Pablo	Picasso	Melancholy Woman; Alternate Title: La melancolie	1902	Oil on canvas	Canvas: 39 3/8 x 27 1/4 in. (100.0 x 69.2 cm); Framed: 46 5/8 x 34 3/4 x 1 3/4 in. (118.4 x 88.3 x 4.4 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	20,000,000	\$	30,000,000	Sabine Wilson	DIA no. 70.191	Pablo	Picasso	Head of a Harlequin; Alternate Title: Tete d'arlequin	1905	Oil on canvas	16 x 13 in. (40.6 x 33.0 cm); Framed: 26 7/8 x 23 3/4 x 2 in. (68.3 x 60.3 x 5.1 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	3,000,000	\$	5,000,000	Sabine Wilson	DIA no. 70.192	Pablo	Picasso	Bottle of Anis del Mono; Alternate Title: Bouteille d'anis del Mono et carte a jouer sur un gueridon	1915	Oil on canvas	Canvas: 18 1/8 x 21 1/2 in. (46.0 x 54.6 cm); Framed: 24 1/4 x 27 5/8 x 3 1/8 in. (61.6 x 70.2 x 7.9 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	40,000,000	\$	60,000,000	Sabine Wilson	DIA no. 70.193	Pablo	Picasso	Woman Seated in an Armchair; Alternate Title: Femme assise dans un fauteuil	1923	Oil on canvas	Canvas: 51 1/4 x 38 1/4 in. (130.2 x 97.2 cm); Framed: 60 x 46 3/4 x 4 in. (152.4 x 118.7 x 10.2 cm)	Summary not provided
Sculpture	European Modern Art to 1950	\$	1,000,000	\$	1,200,000	Sabine Wilson	DIA no. 70.229	Constantin	Brancusi	Sleeping Child	c. 1906-1908	Bronze	5 3/4 x 4 1/4 x 5 1/2 in.; 14.6 x 10.8 x 14.0 cm	Summary not provided
Paintings	European Modern Art to 1950	\$	800,000	\$	1,000,000	Sabine Wilson	DIA no. 74.122	Yves	Tanguy	Shadow Country; Alternate Title: Terre d'ombre	1927	Oil on canvas	Canvas: 39 x 31 5/8 in. (99.1 x 80.3 cm); Framed: 42 1/2 x 35 1/8 x 2 3/8 in. (108.0 x 89.2 x 6.0 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	500,000	\$	700,000	Sabine Wilson	DIA no. 74.123	Chaim	Soutine	Red Gladioli; Alternate Title: Les Glaieuls rouges	c. 1919	Oil on canvas	21 1/2 x 18 in. (54.6 x 45.7 cm); Framed: 29 5/8 x 25 5/8 x 3 5/8 in. (75.3 x 65.1 x 9.2 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	600,000	\$	800,000	Sabine Wilson	DIA no. 75.59	Felix	Vallotton	Standing Nude Holding Gown on Her Knee	1904	Oil on canvas	51 1/4 x 38 1/4 in. (130.2 x 97.2 cm); Framed: 52 3/4 x 39 7/8 x 1 5/8 in. (134.0 x 101.3 x 4.1 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$	400,000	\$	600,000	Sabine Wilson	DIA no. 76.159	Lovis	Corinth	Still Life with Lilacs; Alternate Title: Fliederstrauss	1917	Oil on canvas	canvas: 21 3/4 x 17 3/4 in. (55.2 x 45.1 cm); Framed: 22 7/8 x 18 15/16 x 1 1/4 in.	Summary not provided
Paintings	European Modern Art to 1950	\$	200,000	\$	400,000	Betty Krulik	DIA no. 77.5	Diego M.	Rivera	Edsel B. Ford	1932	Oil on canvas, mounted on masonite	Unframed: 38 1/2 x 49 1/4 in. (97.8 x 125.1 cm)	most male portraits (except the self portriat that sold for \$1M, do not sell well, they is more like the similar sized Barbara portrait which sold in 2011 for \$242K. But due to the importance of the sitter a wider estimate on the upside is anoprporate
Paintings	European Painting	\$	8,000,000	\$	12,000,000	Sabine Wilson	DIA no. 1985.24	Pierre Auguste	Renoir	Woman in an Armchair; Alternate Title: Femme Assise dans un Fauteuil; Alternate Title: Lise	1874	Oil on canvas	24 x 19 7/8 in.; 61.0 x 50.5 cm; Framed: 35 x 29 1/2 x 3 7/8 in.; 88.9 x 74.9 x 9.8 cm	Summary not provided

Paintings	European Painting	\$	300,000	\$	500,000	Sabine Wilson	DIA no. 1985.25	Pierre Auguste Renoir	Clearing in the Woods; Alternate Title: La Foret de Fontainebleau	1865 Oil on canvas	Framed: 29 5/8 x 40 1/8 x 3 9/16 in. (75.3 x 101.9 x 9.1 cm); Canvas: 22 1/2 x 32 1/2 in. (57.2 x 82.6 cm)	Summary not provided
Paintings	European Painting	\$	600,000	\$	800,000	Sabine Wilson	DIA no. 1988.9	Jean-Frederic Bazille	Still Life with Fish; Alternate Title: Poissons	1866 Oil on canvas	25 x 32 1/4 in. (63.5 x 81.9 cm); Framed: 32 x 39 3/4 x 3 1/2	Summary not provided
Paintings	European Painting	\$	5,000,000	\$	7,000,000	Sabine Wilson	DIA no. 1994.57	Pierre Auguste Renoir	The Spanish Guitarist; Alternate Title: Le Guitariste espagnol	1894 Oil on canvas	25 3/4 x 21 1/2 in. (65.4 x 54.6 cm); Framed dimensions: 32 3/4 x 28 3/8 x 3 1/4 in.	Summary not provided
Paintings	European Painting	\$	300,000	\$	500,000	Sabine Wilson	DIA no. 1992.8	Henri Gervex	Cafe Scene in Paris	1877 Oil on canvas	39 5/8 x 53 1/2 in. (100.5 x 136 cm.); Framed: 48 x 64 3/4 x 4 1/8 in. (121.9 x 164.5 x 10.5)	Summary not provided
Paintings	European Painting	\$	80,000,000	\$	120,000,000	Sabine Wilson	DIA no. 1996.25	Vincent Willem van Gogh	Portrait of Postman Roulin	1888 Oil on canvas	Canvas: 25 1/4 x 18 7/8 in. (64.1 x 47.9 cm); Framed: 34 3/4 x 28 3/4 x 3 1/4 in. (88.3 x 73.0 x 8.3 cm)	Summary not provided
Paintings	European Painting	\$	5,000,000	\$	7,000,000	Sabine Wilson	DIA no. 1998.65	Edgar Degas	Jockeys on Horseback before Distant Hills; Alternate Title: Riders Before Hillv Countrv	1884 Oil on canvas	Unframed: 17 11/16 x 21 5/8 in. (44.9 x 54.9 cm); Framed: 25 1/2 x 30 x 3 in. (64.8 x 76.2 x 7.6 cm)	Summary not provided
Paintings	European Painting	\$	800,000	\$	1,200,000	Sabine Wilson	DIA no. 21.8	Edgar Degas	Portrait of a Woman; Alternate Title: Portrait de Mademoiselle Malot(?)	1877 Oil on canvas	Framed: 34 x 30 1/4 x 2 7/8 in. (86.36 x 76.84 x 7.30 cm); 25 1/2 x 21 in. (64.77 x 53.34 cm)	
Paintings	European Painting	\$	600,000	\$	800,000	Sabine Wilson	DIA no. 44.90	Paul Klee	Reclining; Alternate Title: Liegen; Lying Down	c. 1937 Oil on burlap	Framed: 18 7/8 x 29 7/8 x 1 1/2 in. (48.2 x 76.1 x 3.8 cm); Canvas: 13 1/2 x 24 in. (34.3 x 61.0 cm)	Summary not provided
Paintings	European Painting	\$	800,000	\$	1,200,000	Sabine Wilson	DIA no. 48.279	Edgar Degas	Morning Ride	c. 1866 Oil on canvas	33 1/2 x 25 1/2 in.; 85.1 x 64.8 cm; with frame: 40 7/8 x 34 3/4 x 3 3/4 in.; 18 1/8 x 15 in.; 46.2 x 38.1 cm; Framed: 25 x 21 3/4 x 1-7/16 in. (depth without the more recently added extension on the verso); sight: 17-1/2 x 14 1/4 in.; 79.7 x 70.5 x 7.6 cm	Summary not provided
Paintings	European Painting	\$	7,000,000	\$	10,000,000	Sabine Wilson	DIA no. 69.306	Paul Gauguin	Self Portrait	c. 1893 Oil on canvas		

Paintings	European Painting	\$	40,000,000	\$	50,000,000	Sabine Wilson	DIA no. 70.159	Vincent Willem	van Gogh	Bank of the Oise at Auvers	1890	Oil on canvas	Framed: 37 x 44 1/4 x 3 1/2 in. (94 x112.4 x8.9 cm.); Unframed: 28 7/8 x 36 7/8 in. (73.3 x 93.7 cm.)	Summary not provided
Paintings	European Painting	\$	30,000,000	\$	40,000,000	Sabine Wilson	DIA no. 70.160	Paul	Cézanne	Madame Cezanne	c. 1886	Oil on canvas	39 5/8 x 32 in.; 100.6 x 81.3 cm; Framed: 49 3/8 x 41 1/2 x 4 5/8 in.; 126.4 x 105.7 cm; Unframed: 13 5/8 x 15 in. (34.6 x 38.1 cm); Framed: 22 5/8 x 24 1/4 x 3 11/16 in. (57.5 x 61.6 x 9.4 cm)	Summary not provided
Paintings	European Painting	\$	15,000,000	\$	20,000,000	Sabine Wilson	DIA no. 70.162	Paul	Cézanne	Bathers	c. 1880	Oil on canvas	Unframed: 13 3/4 _ 24 in. (34.9 _ 61 cm); Framed: 19 3/4 in. _ 29 7/8 in. _ 3 in. (50.2 _ 75.9 _ 7.6 cm)	Summary not provided
Paintings	European Painting	\$	12,000,000	\$	15,000,000	Sabine Wilson	DIA no. 70.163	Paul	Cézanne	The Three Skulls	c. 1900	Oil on canvas	Unframed: 13 3/4 _ 24 in. (34.9 _ 61 cm); Framed: 19 3/4 in. _ 29 7/8 in. _ 3 in. (50.2 _ 75.9 _ 7.6 cm)	Summary not provided
Paintings	European Painting	\$	1,500,000	\$	2,000,000	Sabine Wilson	DIA no. 70.167	Edgar	Degas	Violinist and Young Woman; Alternate Title: Violiniste et jeune femme tenant un cahier de musique	c. 1871	Oil and crayon on canvas	18 1/4 x 22 in.; 46.4 x 55.9 cm; Framed: 26 1/4 x 30 3/8 x 3 1/2 in.; 66.7 x 77.2 x 8.9 cm	Summary not provided
Paintings	European Painting	\$	600,000	\$	1,000,000	Sabine Wilson	DIA no. 70.168	Edgar	Degas	Woman with a Bandage; Alternate Title: La femme au bandeau	1872/1873	Oil on canvas	Framed: 21 3/4 x 18 1/2 x 2 5/8 in. (55.25 x 46.99 x 6.67 cm); 13 x 9 3/4 in.; 33.0 x 24.8 cm	Summary not provided
Paintings	European Painting	\$	800,000	\$	1,000,000	Sabine Wilson	DIA no. 70.173	Edouard	Manet	On the Beach; Alternate Title: Sur la plage	c. 1868	Oil on canvas	40.0 x 48.3 cm; with frame: 23 3/8 x 26 1/2 x 2 1/8 in.; 59.4 x 67.3 x 5.4 cm	Summary not provided
Paintings	European Painting	\$	6,000,000	\$	12,000,000	Sabine Wilson	DIA no. 70.174	Henri	Matisse	Coffee; Alternate Title: Le cafe	1916	Oil on canvas	Canvas: 39 5/8 x 25 3/4 in. (100.6 x 65.4 cm); Framed: 50 3/8 x 36 5/8 x 3 3/4 in. (128.0 x 93.0 x 9.5 cm)	Summary not provided
Paintings	European Painting	\$	10,000,000	\$	12,000,000	Sabine Wilson	DIA no. 70.177	Pierre Auguste	Renoir	Seated Bather; Alternate Title: Baigneuse assise	1903/1906	Oil on canvas	45 3/4 x 35 in.; 116.2 x 88.9 cm; Framed: 57 3/8 x 46 7/8 x 4 3/8 in. 145.7 x 119.7 x 11.3 cm	Summary not provided
Paintings	European Painting	\$	7,000,000	\$	10,000,000	Sabine Wilson	DIA no. 70.178	Pierre Auguste	Renoir	The White Pierrot; Alternate Title: Pierrot blanc	1901/1902	Oil on canvas	31 1/8 x 24 3/8 (79.1 x 61.9); Frame: 40 1/2 x 33 1/4 x 3 1/2 in. (105.4 x 87.9 x 12.1 cm)	Summary not provided
Paintings	European Painting	\$	20,000,000	\$	40,000,000	Sabine Wilson	DIA no. 70.183	Georges Pierre	Seurat	View of Le Crotoy from Upstream; creator: Vue de Crotoy, amont	1889	oil on canvas	Unframed: 27 3/4 _ 34 1/8 in. (70.5 _ 86.7 cm); Framed: 38 7/8 _ 45 1/8 _ 1 5/8 in. (98.7 _ 114.6 _ 4.1 cm)	Summary not provided

Paintings	European Painting	\$	600,000	\$	800,000	Sabine Wilson	DIA no. 75.31	Camille	Pissarro	The Kitchen at Piette's, Montfoucault; Alternate Title: La cuisine chez Piette, Montfoucault	1874 Oil on canvas	18 1/4 x 22 in. (46.4 x 55.9 cm); Frame: 26 1/8 x 29 3/8 x 2 1/4 (66.4 x 74.6 x 5.7)	Summary not provided
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Sculpture	European Sculpture and Dec Arts	\$	1,500,000	\$	3,000,000	Sabine Wilson	DIA no. 53.145	Auguste	Rodin	Eve	1881 bronze	Overall: 68 1/2 _ 21 _ 24 inches (174 _ 53.3 _ 61 cm)	Summary not provided
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Artvest Total	\$	625,280,000	\$	885,940,000
European Impressionist & Modern Paintings				

Paintings	European Painting	\$	200,000	\$	300,000	KGFA	DIA no. 1998.1	Richard	Wilson	Caernarvon Castle	1744/1745	Oil on canvas	32 1/2 x 45 (82.6 x 114.3); Frame: 40 x 52 3/4 x 2 5/8 in. (101.6 x 134.0 x 6.7 cm)	Comp: Christies London 7/7/10 lot 165 \$83,000 Early in career, pre Italy, which work is the prime version? This or the Yale picture. Wilson's notoreity increased after his trip to Italy and Grand Tour. He returned with a lush, denser palate and more dramatic sense of color.
Paintings	European Painting	\$	600,000	\$	800,000	KGFA	DIA no. 23.31	Lucas	Cranach the Elder	Madonna and Child with Infant Saint John the Baptist and Angels	1536	Oil on wood panel	46 x 31 5/8 in.; 116.8 x 80.3 cm	Comp: Virgin and Child, Sotheby's London: Wednesday, July 7, 2010 [Lot 00006] \$730,000, Madonna and Child, Dorotheum: Thursday, March 30, 2000 [Lot 00462] \$216,000. Large ungracious composition. Cranach can sell for millions of dollars but those works are tightly painted, smaller and usually of provocative subject matter (i.e.naked women) This is a large crowded religious subject.

Paintings	European Painting	\$	2,000,000	\$	4,000,000	KGFA	DIA no. 25.207	Giovanni Domenico	Tiepolo	The Women of Darius Invoking the Clemency of Alexander	1750/1753	Oil on canvas	118.2 x 98.5 cm; Framed: 58 3/4 x 50 1/4 x 5 1/4 in.; 149.2 x 127.6 x 13.3 cm	Comp: Angelica and Medoro, Christie's London: July 7, 2009 [Lot 00063], \$1.0 mill, Stoning of St. Stephen Christie's London: December 7, 2006 [Lot 00068], \$900,000, 6 Panel Decorative Cycle Sotheby's London: July 3, 2013 [Lot 00042], \$4.5 mill. This is a beautifully conserved, example of GD Tiepolos work from the period when he collaborated with his father at Wurzburg. The subject matter is entirely more appealing than works that have come on the market and in far better condition than the work that sold for \$1.0 in 2009. Lively brush stroke, Tiepolo's perfect example of beautiful women and color.
Paintings	European Painting	\$	2,000,000	\$	3,000,000	KGFA	DIA no. 25.35	Carlo	Crivelli	The Deposition of Christ; Alternate Title: Lamentation; Alternate Title: Imago Pietatis	c. 1470	Tempera and gold on wood panel	Lunette panel (semi-circular): 16 1/2 x 45 in. (41.9 x 114.3 cm); Framed: 25 7/8 x 54 5/8 x 3 9/16 in. (65.72 x 138.74 x 9.05 cm)	Lunette of the Polittico di San Giorgio, Ascoli Piceno, Zeri # 20019, no comps on open market, good condition, fond'oro in good condition. Wonderful incised lines, incredible details in the hair and tears streaming down the face. Crivelli is a rare and strang artist. Although his best works are more convoluted and colored, the DIA work has gravitas and is quite moving.
Paintings	European Painting	\$	300,000	\$	500,000	KGFA	DIA no. 26.22	Jan Baptist	Weenix	Still Life with a Dead Swan	c. 1651	Oil on canvas	Framed: 72 5/8 x 73 3/4 x 4 15/16 in. (184.5 x 187.3 x 12.5 cm); Canvas: 60 x 60 1/2 in. (152.4 x 153.7 cm)	Comp: Christies London 12/3/13 lot 17 est. 400,000 - 550,000 Bl, similar provenance. Highest ever at auction is \$370,000 The subject matter, dead birds, is difficult to sell. The value of such works is considerably lower than other sebjects (genre pictures, portraits etc) Although BEAUTIFULLY painted, this is quite out of fashion today.
Paintings	European Painting	\$	7,000,000	\$	9,000,000	KGFA	DIA no. 26.3	Jacob Isaaksz	van Ruisdael	The Jewish Cemetery; Alternate Title: The Cemetery	1654 or 1655	oil on canvas	Unframed: 56 _ 74 1/2 inches (142.2 _ 189.2 cm); Framed: 67 3/4 _ 85 1/8 _ 5 1/2 inches (172.1 _ 216.2 _ 14 cm)	Most expensive Rusidael at auction is \$4.7 million. This exceeds this work in beauty, size and importance. It's an arresting dramatic image prefiguring the Romantic landscapes of the 19th century. One of the best Ruisdael's I've ever seen.
Paintings	European Painting	\$	6,000,000	\$	9,000,000	KGFA	DIA no. 26.385	Peter Paul	Rubens	Philippe Rubens, the Artist's Brother.; Alternate Title: Philip Rubens	1610/1611	Oil on oak panel	Panel: 27 x 21 1/8 in. (68.5 x 53.5 cm); Framed: 36 9/16 x 30 11/16 x 3 1/8 in. (92.9 x 78.0 x 7.9 cm)	Comp: 6/4/09 Sotheybs NY, lot 19, Bearded Man \$845,000, 1/28/2000 Sotheby's NY lot 51m Man as Mars, \$8 mill, 12/6/07 Sotheby's lot #7 Studies of Men on panel \$7.7 mill, 12/4/13 Sothebys London, lot 6, Portrait of a Man on canvas, \$5.2 mill. Sensitive portrayal of family member with both porcelain and sketch like qualities. Good condition, not a studio work - full attribution to the artist.

Paintings	European Painting	\$	3,000,000	\$	5,000,000	KGFA	DIA no. 26.387	Master of the St. Lucy Legend	Virgin of the Rose Garden; Alternate Title: Mystic Marriage of St. Catherine	1475/1480	Oil on oak panel	31 1/8 x 23 5/8 in. (79.1 x 60.0 cm); Framed: 38 1/8 x 31 5/8 x 3 1/2 in. (97 x 80.3 x 8.9 cm)	Dynamite early Flemish work. Arresting image, some issues with overcleaning in the glazes in the flesh tones, craquelure throughout 7/12/01 Sotheby's London lot 12, \$1mill, comparative artists such as Van der Goes = nothing, Memling 1/31/13, Sotheby's New York, lot 10, \$4.1 Head of Christ (dirty and in excellent condition) This works is more beautiful (beautiuffl women, gardens, flowers, hortus conclusus, elaborate costurmes. Van Eyck at Christies - \$4 - 8 mill
Paintings	European Painting	\$	500,000	\$	700,000	KGFA	DIA no. 26.43	Willem Kalf	Still Life with Columbine Goblet	c. 1660	Oil on canvas	22 7/8 x 19 1/2 in. (57.7 x 49.2 cm); Frame: 32 3/4 x 29 5/8 x 3 1/8 in. (83.2 x 75.2 x 7.9 cm)	Comp: 1/10/91 Sothebys New York lot 73, \$700,000 - 900,000 BI, 1/28/10, Sotheby's New York, lot 192, BI (bad condition), 12/4/2000, Sotheby's London, lot 31, \$525,000 Quite a rare artist. Good picture but not best example by the artist. Not in good condition Con: Not in good condition, very skinned with grounds showing through. Awkward expressions which could be due to the fact that this is a very early work by the artist. Pro: DIA could be the earliest surviving altarpiece. Correggio is such a rare and important artist - no direct comps exists. There was a Dosso Dossi that sold for \$1,800,000 last summer at Sotheby's. Dossi is an artist from geographically similar area and time period however he is not as important.
Paintings	European Painting	\$	1,000,000	\$	2,000,000	KGFA	DIA no. 26.94	Correggio	The Mystic Marriage of Saint Catherine	1510/1514	Paint on wood panel	Framed: 66 x 61 1/8 x 3 3/4 in. (167.64 x 155.26 x 9.53 cm); 53 5/8 x 48 1/2 in. (136.2 x 123.2 cm)	Con: Not in good condition, very skinned with grounds showing through. Awkward expressions which could be due to the fact that this is a very early work by the artist. Pro: DIA could be the earliest surviving altarpiece. Correggio is such a rare and important artist - no direct comps exists. There was a Dosso Dossi that sold for \$1,800,000 last summer at Sotheby's. Dossi is an artist from geographically similar area and time period however he is not as important.
Paintings	European Painting	\$	1,000,000	\$	1,500,000	KGFA	DIA no. 27.3	Sandro Botticelli	The Resurrected Christ	c. 1480	Paint on wood panel (transferred)	Unframed: 18 x 11 3/4 in. (45.7 x 29.8 cm); Framed: 30 1/8 x 22 7/8 x 4 1/4 in. (76.5 x 58.1 x 10.8 cm)	Comp: St. John the Baptist 7/5/11 Christie's London, lot 4 \$542,000. Good example of artist + workshop. This is definitely a master and studio work. Subject is not what one looks for in Botticelli, however, he is a first tier artist.
Paintings	European Painting	\$	200,000	\$	300,000	KGFA	DIA no. 27.385	Titian	Man Holding a Flute	c. 1560-1565	Oil on canvas	38 1/2 x 30 in.; 97.8 x 76.2 cm; Framed: 48 1/8 x 39 1/2 x 3 1/8 in.; 122.2 x 100.3 x 7.8 cm	Comp: Portrait of Filiberto, Dorotheum: Thursday, March 22, 2001 [Lot 00074], \$140,000, Portrait of Titian, Bonhams London: Wednesday, December 4, 2013 [Lot 00008], \$131,000 Poor condition, rubbed, sunken
Paintings	European Painting	\$	4,000,000	\$	7,000,000	KGFA	DIA no. 29.264	Diego Rodríguez de Silva Velazquez	A Man; Alternate Title: Don Juan de Fonseca?	1623/1630	Oil on canvas	20 1/4 x 15 3/4 in.; 51.4 x 40.0 cm; with frame: 33 x 28 1/4 x 2 7/8 in.; 83.8 x 71.8 x 7.3 cm	Strange example of his work. Comp on retail market. Velasquez bought at Bonham's London in 2010 for \$4.9 mill by dealer Otto Nauman. Discovered by Peter Cherry. Asking 14 million at TEFAF. \$12 mill is highest auction price ever paid for St. Rufina. Condition is thin around the head and in the background. Strange drape in front in primo piano. In addition, the sitter is an older gentleman with perhaps a wandering eye.
Paintings	European Painting	\$	20,000,000	\$	25,000,000	KGFA	DIA no. 30.295	Parmigianino	The Circumcision	c. 1523	Oil on panel	16 1/2 x 12 3/8 in.; 41.9 x 31.4 cm; Framed dimensions: 22 7/8 in. x 19 1/4 in. x 2 in.	Magical rare night scene by one of the Renaissance's most important artists. In beautiful conditon. Unique subject, very early work, Royal provenance. Can use the Madonna and Pinks by Rahpael as the basis. No possibility of others

Paintings	European Painting	\$	200,000	\$	300,000	KGFA	DIA no. 30.370	Rembrandt Harmensz van Rijn	Christ	c. 1648/1650	Oil on oak panel	Unframed: 11 _ 9 1/8 in. (27.9 _ 23.2 cm); Framed: 23 in. _ 21 1/16 in. _ 2 3/4 in. (58.4 _ 53.5 _ 7 cm)	Comp: Portrait of a Man, Christie's London: Thursday, December 6, 2007 [Lot 00005], \$200,000, Risen Christ, Christie's London: Friday, April 27, 2007 [Lot 00047], \$500,000 Rembrandt had an extensive studio production with many of his assistants going on to successful careers on their own. This work, however, is good but not individual enough to recognize either the masters hand or the hand of another artist	
Paintings	European Painting	\$	3,000,000	\$	5,000,000	KGFA	DIA no. 34.188	Frans Jansz	Post	View of the Jesuit Church at Olinda, Brazil	1665	Oil on canvas	22 1/8 x 32 7/8 in. (56.2 x 83.5 cm); Framed: 28 1/4 x 39 1/8 x 2 1/2	Large format, late work many years after he returned from Brazil so therefore a pastiche/invented narrative. A bit formulaic but in beautiful condition and clear pristine light and detail. A small Brazil period is for sale for 2 mill Euro, 6/14/09, Sotheby's New York, lot 44 \$1.7
Paintings	European Painting	\$	80,000	\$	100,000	KGFA	DIA no. 34.191	Bacchiacca (Francesco Ubertini Verdi)	Saint John the Baptist in the Wilderness	16th Century	Oil on canvas, transferred from panel	41 x 30 in.; 104.1 x 76.2 cm	Transfer from panel to canvas. Not effective. Leaves the primary figure flat and lifeless. There are no comps for transfers but average price for his works are \$80 - 100,000	
Paintings	European Painting	\$	6,000,000	\$	8,000,000	KGFA	DIA no. 35.10	Titian	Judith with the Head of Holofernes	c. 1570	oil on canvas	Framed: 55 _ 47 1/4 _ 2 3/4 inches (139.7 _ 120 _ 7 cm); Unframed: 44 1/2 _ 37 1/2 inches (113 _ 95.3 cm)	Comp: Sotheby's New York 1/24/08, lot 117, \$4.5 In good condition, impasto, lively brushwork...vivace. Late work by the master.	
Paintings	European Painting	\$	600,000	\$	800,000	KGFA	DIA no. 36.10	Il Pensionante del Saraceni	Italian	The Fruit Vendor; Title: Man Selling Melons	c. 1615/1620	Oil on canvas	130.2 x 97.8 cm; Framed: 57 1/4 x 44 1/8 x 2 5/8 in.; 145.4 x 111.9 x 6.7 cm	Comp: Piasa 12/2/2000 lot 11 \$321,000 Not a widely quoted or sold artist. Rare on market and rare subject. In good condition. Attribution issues exist as there is not a general consensus about the artist.
Paintings	European Painting	\$	25,000,000	\$	35,000,000	KGFA	DIA no. 36.11	Nicolas	Poussin	Selene and Endymion; Alternate Title: Diana and Endymion	c. 1630	oil on canvas	Unframed: 48 _ 66 1/2 inches (121.9 _ 168.9 cm); Framed: 59 _ 77 1/4 _ 3 1/2 inches (149.9 _ 196.2 _ 8.9 cm)	Incredible provenance, masterpiece in good condition. Nothing like it available on the market. Sacrament of the Ordination was sold to the Kimbell for \$24 million after Bling at Christie's at \$23 - 31 million. The DIA work is in better condition and a more desirable subject matter.
Paintings	European Painting	\$	200,000	\$	300,000	KGFA	DIA no. 36.30	Paolo	Veronese	The Muse of Painting	16th Century	Oil on canvas	11 x 7 1/4 in. (27.9 x 18.4 cm); Framed: 15 1/4 x 11 3/8 x 1 in. (38.74 x 28.89 x 2.54 cm)	Comp: Cupid holding the Reigns, Christie's London: Wednesday, July 11, 2001 [Lot 00091], \$175,000. There are no real comparable for this kind of work. It was conceptualized as a Spalliera and there are two other examples in museums in St. Petersburg and Moscow. This is a delicious little painting by the Venetian master but it was most likely conceived as a decorative panel.
Paintings	European Painting	\$	500,000	\$	700,000	KGFA	DIA no. 37.1	Emanuel	de Witte	Interior of the Oude Kerk in Amsterdam	1686	Oil on canvas	47 x 39 5/8 (119.4 x 100.6); Frame: 56 1/8 x 48 3/4 x 4 1/2 in. (142.6 x 123.8 x 11.4 cm)	Comp: 12/8/10 Sotheby's London, lot 21 \$532,000, Christie's London 7/3/02 lot 15 \$1,020,000 Late large format - not intimate view, missing the clear light that you want in a church interior.

Paintings	European Painting	\$	200,000	\$	300,000	KGFA	DIA no. 37.73	Job Adriaensz	Berckheyde	Interior of the Grote Kerk, Haarlem	1676	Oil on canvas	Canvas: 40 1/2 x 34 3/8 in. (102.87 x 87.3 cm); Framed: 53 5/8 x 46 5/8 x 3 in. (136.2 x 118.4 x 7.6 cm)	Comp: Church Interior, Christie's London 4/25/01 lot 20 \$155,000 on canvas and is large. In good but not great condition. The paint layer is thin enough to notice compositional changes in the foreground where figures were removed (pentimenti) - Nicer, larger and more visual interest than the comp. In addition, it is 15 years later and a stronger market.
Paintings	European Painting	\$	800,000	\$	1,200,000	KGFA	DIA no. 38.56	Giovanni Battista	Piazzetta	Madonna and Child with an Adoring Figure; title: Fragment of the Sagredo Altarpiece	1715/1718	Oil on canvas	187.9 x 146.1 cm; Framed: 88 1/2 x 72 3/4 x 4 1/4 in. (224.8 x 184.8 x 10.8 cm)	Comp: David and Goliath Sotheby's London: December 8, 2010 [Lot 00034], \$645,000. Full scale altar pieces have not come on the market. However, this work is in mediocre condition and has lost much of its volume. The colors have oxidized and sunken creating less volume.
Paintings	European Painting	\$	6,000,000	\$	8,000,000	KGFA	DIA no. 40.166	Bernardo	Bellotto	View of the Tiber in Rome with the Castel Sant'Angelo	1743 or 1744	oil on canvas	Framed: 45 1/2_ 69 3/4 _ 4 inches (115.6 _ 177.2 _ 10.2 cm); Unframed: 34 3/8 _ 58 3/8 inches (87.3 _ 148.3 cm)	Comp: 2 Views of Rome Christie's London: Thursday, December 7, 2006 [Lot 00072], \$12.7, Verona, Christie's London: Friday, July 7, 2000 [Lot 00084], \$2.0 mill, Grand Canal, Christie's New York: Thursday, April 19, 2007 [Lot 00113] \$11. mill Important picture from Roman period, in good condition, however the sky is rubbed.
Paintings	European Painting	\$	3,000,000	\$	5,000,000	KGFA	DIA no. 40.50	Michel	Sittow	Catherine of Aragon as the Magdalene	15th/16th Century	Oil on oak panel	12 5/8 x 9 7/8 in.; 32.1 x 25.1 cm; Framed: 18 1/2 x 16 x 2 1/2 in. (47 x 40.6 x 6.5 cm)	Comp: Christie's NY 1/26/11 lot 118, \$866,000 Catherine of Aragon as the Magdalene - very interesting presumptive sitter. Is this Catherine of Aragon before she marries Henry VIII? Seems possible as it is very close to the portrait of her in Vienna. This comparable is of an ugly old man therefore a lovely portrait of a famous historical figure as the Madonna has much more value. This delicate and finely painted work is also in lovely
Paintings	European Painting	\$	1,200,000	\$	1,800,000	KGFA	DIA no. 41.10	Claude	Gellée	Sunrise	1631	Oil on canvas	30 5/8 x 46 1/8 in. (77.8 x 117.2 cm); Frame: 38 1/4 x 53 5/8 x 3 1/8 in.	Comp: Sotheby's NY 1/26/06, lot 51, 2 - 3 mill BI, Christies London 12/7/10, lot 51, \$3,200,000 In moderate condition. This was in the conservation studio on my visit and I saw it in its stripped state. With Claude works, one looks for the layer upon layer of transparent glazes that create the paint layer and give the work its inner glow. Because this has been stripped, it results in a decrease in value.
Paintings	European Painting	\$	4,000,000	\$	6,000,000	KGFA	DIA no. 41.126		Master of the Tiburtine Sibyl	Crucifixion	c. 1485	Oil on oak panel	Framed: 64 3/4 x 48 3/4 x 2 3/4 in. (164.5 x 123.8 x 7 cm); 56 1/2 x 40 3/8 in. (143.7 x 102.6 cm)	Comp: Virgin and Child in Landscape, Sotheby's New York: Thursday, May 29, 2003 [Lot 00128], \$433,000. There are only two works that have come up for public sale. The work quoted above is a delicate, small Virgin and Child. The DIA work more detailed, in beautiful condition, much larger in scale, and more complex in landscape and perspective. The size of this work indicates that it was not for private devotional use but was more
Paintings	European Painting	\$	8,000,000	\$	10,000,000	KGFA	DIA no. 41.80	Francisco	Goya	Dona Amalia Bonells de Costa	c. 1805	Oil on canvas	34 3/8 x 25 3/4 in.; 87.3 x 65.4 cm; Framed: 43 x 34 x 2 7/8 in.; 109.2 x 86.4 x 7.3 cm	Comp: Portrait of Don Juan López de Robredo, Christie's London: Tuesday, December 6, 2011 [Lot 00027] est. 6 - 9.0 mill BI, Portrait of Mariano Goya, Sotheby's New York: Thursday, January 31, 2013 [Lot 00103] est. \$6 - 8 BI. The DIA work is more fluidly handled and in better condition than either of these works. Good provenance and universally accepted.
Paintings	European Painting	\$	500,000	\$	700,000	KGFA	DIA no. 42.127	Claude	Gellée	A Seaport at Sunset	1643	Oil on copper panel	16 x 21 (40.6 x 53.3); Frame: 22 3/8 x 27 x 2 in. (56.8 x 68.6 x 5.1 cm)	Comp: La tempete, Christie's London: Tuesday, December 4, 2012 [Lot 00048], \$244,000, Landscape Sotheby's London: Wednesday, July 7, 2010 [Lot 00036], 600 - 900,000 BI Nice little picture but clumsily painted and the colors are a bit muddy - not as crisp as you would want to see. Great provenance.

Paintings	European Painting	\$	15,000,000	\$	20,000,000	KGFA	DIA no. 42.57	Agnolo	Bronzino	Eleonora of Toledo and Her Son	between 1545 and 1550	oil on panel	Framed: 66 1/2 _ 57 1/2 _ 51 1/2 inches (167.6 _ 146.1 _ 14 cm); Unframed: 47 7/8 _ 39 3/8 inches (121.6 _ 100 cm)	Florentine High Renaissance Masterpiece. The Kimbell paid \$6.5 for a Michelangelo that is a juvenile work and not universally accepted. The Getty bought a Titian for \$70 million. The Frick bought the Potormo portrait in 1989 for \$35 mill (\$65 mill for adjusted price). The DIA Bronzino falls within these parameters of importance. The work is less poetic and original than the Titan and Pontormo therefore the slightly lower value.
Paintings	European Painting	\$	3,000,000	\$	5,000,000	KGFA	DIA no. 43.38		Canaletto	The Piazza San Marco	c. 1739	oil on canvas	Unframed: 29 13/16 _ 46 15/16 inches (75.8 _ 119.3 cm); Framed: 44 5/8 _ 57 3/4 _ 4 inches (113.3 _ 146.7 _ 10.2 cm)	Comp: Venice, View of the Piazzetta Sotheby's London: Wednesday, December 8, 2010 [Lot 00039] \$3.5 mill, Venice View of the Piazzetta, Sotheby's London: Wednesday, July 5, 2006 [Lot 00058] \$2.5 mill. A classic, desirable view of Venice by the best known Venetian vedutista of the 18th century. Canaletto was intensely collected by the English aristocracy purchasing works on their Grand Tours. If this had been a water view, with boats, it would have a higher evaluation.
Paintings	European Painting	\$	300,000	\$	500,000	KGFA	DIA no. 43.418	Jacob	Jordaens	Job	c. 1620	Oil on oak panel	Panel: 26 3/8 x 20 1/2 in. (67.0 x 52.0 cm); Framed: 42 1/8 x 36 3/16 x 3 1/4 in. (107.0 x 92.0 x 8.3 cm)	Comp: Sotheby's New York: January 27, 2011 Lot 120, \$278,000, Christie's London: July 7, 2000 Lot 38, \$321,000, Lempertz: May 17, 2014 Lot 1143, \$150,000 Lively work with interesting story as to the sitter. In good condition.
Paintings	European Painting	\$	3,000,000	\$	5,000,000	KGFA	DIA no. 44.213	Giovanni Battista	Tiepolo	Saint Joseph and the Christ Child	1767/1769	Oil on canvas	Framed: 69 x 52 3/4 x 3 1/4 in. (175.3 x 134 x 8.3 cm); 60 1/2 x 43 3/4 in. (154 x 111.3 cm)	Comp: Highest price for a Tiepolo at auction Arrival of Henry III at Villa Contarini Christie's New York: January 25, 2012 [Lot 00038] \$5.9 mill., Portrait of a Lady Christie's London: December 2, 2008 [Lot 00040] \$4.2 mill. The subject matter, because it is religious is less deribable, however, the commission is important and it is unique that an altarpiece of such importance appears on the market. Royal Provenance, one of 7 altarpieces for San Pasqual Baylon. Fragment. Good condition.
Paintings	European Painting	\$	5,000,000	\$	7,000,000	KGFA	DIA no. 44.266	Peter Paul	Rubens	Hygeia, Goddess of Health; Alternate Title: Hygieia	c. 1615	Oil on oak panel	Framed: 55 3/8 x 43 3/4 x 43/8 in. (140.6 x 111.1 x 11.1 cm); Panel: 41 3/4 x 29 1/4 in. (106.2 x 74.3 cm)	Comp: Sotheby's New York: January 23, 2003 Lot 32, \$2 - 3 mill BI, Sotheby's London: July 10, 2002 Lot 52, \$6.8 mill, Sotheby's New York: January 24, 2002 Lot 236, \$2.1 mill Background abraded around
Paintings	European Painting	\$	5,000,000	\$	7,000,000	KGFA	DIA no. 45.420	Joos	van der Beke van Cleve	Adoration of the Magi	c. 1525	Oil on oak panels	Center panel: 35 x 25 1/2 in. (88.9 x 64.8 cm); Each wing: 35 x 11 in. (88.9 x 27.9 cm)	Very little on open market - those works that come up repeat over the years. This a rare example of his work as there has never been a triptych on the market. Virgin and Child Sotheby's New York: January 30, 2014 Lot 11, Portrait of a Man Sotheby's London: July 9, 2008 Lot 5, \$1.4 The DIA work is Cleve's only signed work, was a fundamental touchstone to identifying the hand of the artist and masterpiece of his mature period. Generally accepted as Cleve and Workshop. If it had been a full attribution the valuation would have been almost double.

Paintings	European Painting	\$	300,000	\$	500,000	KGFA	DIA no. 46.359	Rogier van der Weyden	Saint Jerome in the Desert	1450/1465	Oil on oak panel	Framed: 15 7/8 in. x 13 3/8 in. x 2 in. (40.34 x 34 x 4.60 cm); 12 1/8 x 9 15/16 in. (30.8 x 25.2 cm)	Comp: St. Lucas, Koller Auktionen Zürich: Friday, March 30, 2012 [Lot 03009], \$200,000, Workshop pictures can make anywhere from 20,000 - 1,500,000. The DIA picture is in lovely condition and is unique, not a copy after the artist. The Lion is particularly wonderful and it is painted tightly and has the pristine quality that one looks for in early Flemish works.
Paintings	European Painting	\$	4,000,000	\$	6,000,000	KGFA	DIA no. 46.56	Sassetta	The Betrayal of Christ	1437/1444	Tempera on poplar panel	Panel: 14 3/4 x 23 1/4 x 1 1/8 in. (37.47 x 59.06 x 2.86 cm); Frame: 28 x 32 5/8 x 4 in. (71.12 x 82.87 x 10.16 cm)	Comp: St. Augustine, Christie's New York: Thursday, April 6, 2006 [Lot 00031], \$1,200,000. A very rare artist on the market with only 3 known results. The DIA works are multi figural as compared to the single figure of a saint that sold at Christie's. They have been included in numerous essays and are known to be from the San Sepicro altarpiece.
Paintings	European Painting	\$	400,000	\$	600,000	KGFA	DIA no. 47.398	John Zoffany	Scene from Love in a Village	1767	Oil on canvas	40 1/2 x 50 1/2 (102.9 x 128.3); Frame: 48 1/8 x 57 3/4 x 2 5/8 in. (122.2 x 146.7 x 6.7 cm)	Comp: Scene in Tavern, Christie's London: Thursday, June 8, 2006 [Lot 00031], \$1,200,000. Garrick with Burton and Palmer in the Alchymist, Sotheby's London: Thursday, November 29, 2001 [Lot 00011], \$ 1,217,839 Large British genre picture in good condition. Not chic aristocratic subject matter - refers to popular play at time.
Paintings	European Painting	\$	2,000,000	\$	3,000,000	KGFA	DIA no. 47.58	Peter Paul Rubens	Archduke Ferdinand, Cardinal-Infante of Spain, at the Battle of Nordlingen	1635	oil on oak-veneered Masonite panel	Unframed: 48 1/8 _ 36 5/8 inches (122.2 _ 93 cm); Framed: 59 3/4 _ 48 3/16 _ 5 5/8 inches (151.8 _ 122.4 _ 14.3 cm)	Comp: Cavalry Sketch, Christie's South Kensington: April 11, 2013 Lot 141 \$192,000, St. Michael Subduing Lucifer, Christie's London: December 7, 2006 Lot 10 \$3.5 Sketch for work in the Prado, remained in his studio at death, was transfered to masonite panel which is not a good for the work. Has been subjected to various restorations over the years.
Paintings	European Painting	\$	500,000	\$	700,000	KGFA	DIA no. 47.92	Salvator Rosa	The Finding of Moses	c. 1660/1665	Oil on canvas	Framed: 62 x 92 3/8 x 4 1/2 in. (157.5 x 234.6 x 11.4 cm); 48 1/2 x 79 3/4 in. (123 x 202 cm)	Comp: St. in a Landscape, Dorotheum: Tuesday, October 15, 2013 [Lot 00551], \$200,000, Great provenance, in good condition, large format. Rosa's single figure studies or philospher studies make more money at auction. The DIA work however, has a very fancy provenance which increases its value.
Paintings	European Painting	\$	8,000,000	\$	10,000,000	KGFA	DIA no. 48.96	Bartolome Esteban Murillo	The Flight into Egypt	c. 1647/1650	Oil on canvas	82 1/2 x 65 1/2 in. (209.55 x 166.37 cm); Framed: 125 x 87 x 6 in. (317.5 x 220.98 x 15.24 cm); Strip Frame for Travel: 84 1/2 x 67 3/4 x 2 1/2 in. (214.6 x 171.5 x 5.7 cm)	Comp: St. Joseph and the Christ Child Christie's London: Friday, December 14, 1990 [Lot 00031] \$4.7 mill. 8 years later it wold for \$2.7. Enormous volotility of market at the moment - something that has not been on the market for a long time. In present market there are no comparables, a number of institutions who want to buy first class things - Qatar - conveyable that they pay strong prices. The work is in good condition, taking into consideration the oxidation of the blues and the reworking of the sky.
Paintings	European Painting	\$	800,000	\$	1,200,000	KGFA	DIA no. 49.337	Antoine Jean Gros	Murat Defeating the Turkish Army at Aboukir	c. 1805	Oil on canvas, mounted on board	34 3/4 x 54 1/2 in.; 88.3 x 138.4 cm; Framed: 44 3/4 x 64 3/4 x 3 3/8 in.; 113.7 x 164.5 x 8.6 cm	No exact market comps available. A work by Girodet, Head of a Turk, Damien Leclere: Saturday, December 17, 2011 [Lot 00010], \$970,000. Excellent bozzetto for important final work in Louvre Large scale historical sketch. Important historical reference and nothing similar on market. Artist is the most important student of Jacques Louis David.

Paintings	European Painting	\$	100,000	\$	150,000	KGFA	DIA no. 51.13	Bernardo Strozzi	Street Musicians	c. 1630	Oil on canvas	109.8 x 156.5 cm; Frame: 51 3/4 x 71 x 3 in.	Comp: Christ In Front of the Kalif, Porro & C.: Saturday, November 15, 2003 [Lot 00242] \$120,000 Charity of St Lawrence, Christie's London: Thursday, December 8, 2005 Lot 00048 \$200,000. Do not love this Strozzi. Mushy composition, workshop?? I doubt the full attribution
Paintings	European Painting	\$	20,000,000	\$	25,000,000	KGFA	DIA no. 52.253	Artemisia Gentileschi	Judith and Her Maidservant with the Head of Holofernes	c. 1623/1625	Oil on canvas	72 3/8 x 55 3/4 in. (184 x 141.6 cm); Original frame: 90 1/2 x 73 3/8 x 5 in.; Framed: 85 x 68 1/2 x 3 1/2 in. (215.9 x 174 x 8.9 cm)	Masterpiece by the artist. Comparable Caravaggio is estimated at 60 - 90 million. Feigen has a beautiful Danae by Orazio Gentileschi which he reputedly turned down 15 million.
Paintings	European Painting	\$	4,000,000	\$	6,000,000	KGFA	DIA no. 53.270	Sassetta	The Agony in the Garden	1437/1444	Tempera on poplar panel	19 1/4 x 25 1/4 x 3 in.; 48.9 x 64.1 cm	See other Sassetta above.
Paintings	European Painting	\$	5,000,000	\$	7,000,000	KGFA	DIA no. 53.356	Peter Paul Rubens	Briseis Given Back to Achilles	1630/1631	Oil on oak panel	17 7/8 x 26 5/8 in. (45.4 x 67.6 cm); Framed dimensions: 22 5/8 x 31 3/8 x 2 3/8	Comp: Meleager and Atalanta Hunting Boar Christie's London: December 8, 2005 Lot 20, \$5.4 mill, St. Michael Subduing Lucifer, Christie's London: December 7, 2006 Lot 10 \$3.5. Beautiful lush oil sketch for Achilles Tapestry Series. These types of works, small, densely painted with loose brushwork and exactly what private collectors are looking for. They make high prices at auction.
Paintings	European Painting	\$	800,000	\$	1,500,000	KGFA	DIA no. 53.359	Francesco Guardi	View of Dolo on the Brenta	1774/1776	Oil on canvas	48.2 x 66.2 cm; Framed: 24 9/16 x 31 3/4 x 3 in. (62.4 x 80.7 x 7.6 cm)	Comp: Porta del Dolo, Christie's London: Friday, December 8, 2006 [Lot 00135] \$325,000 The DIA work is not a Venetian scene which are the most coveted. However, it is a well composed and fluid depiction of Dolo. High visual interest Not Villa Loredon with Elegant figures which sold for 8 mill. The Dolo is a lively port scene and not an elegant fete galant ish work.
Paintings	European Painting	\$	500,000	\$	700,000	KGFA	DIA no. 53.468	Domenico Ghirlandaio	Young Man	15th Century	Oil on panel	Framed: 20 1/2 x 16 1/2 x 1 3/4 inches.; 13 x 9 in. (33.0 x 22.9 cm)	Most likely Davide Ghirlandaio, less famous brother to Domenico Ghirlandaio (as per Christiansen) Changing attribution but whatever the case, an good example of Florentine 15th century portraiture. Awkward use of hand. One work sold for almost a million dollars but that was purchased as a young Michelangelo and was sold to the Kimbell for \$6.5 million (some dissenting opinions as to authenticity) Otherwise decent works range from \$75,000 - 200,000
Paintings	European Painting	\$	2,000,000	\$	3,000,000	KGFA	DIA no. 54.2	Nicolas Poussin	The Holy Family; Alternate Title: The Roccataglia Madonna	1641	Oil on canvas	Unframed: 28 _ 22 1/8 in. (71.1 _ 56.2 cm); Framed: 34 in. _ 28 in. _ 2 1/2 in. (86.4 _ 71.1 _ 6.4 cm)	Not in good condition. Very skinned. Fantastic provenance Comp: Holy Family with St. John the Baptist, Christie's London: Wednesday, December 10, 2003 [Lot 00066 \$966,000, Rest on the Flight to Egypt Sotheby's Monaco: Friday, July 2, 1993 [Lot 00104], \$640,000 (not current market value for this work but similar in size and subject)
Paintings	European Painting	\$	3,000,000	\$	4,000,000	KGFA	DIA no. 55.5.A	Henry Fuseli	The Nightmare	1781	oil on canvas	Unframed: 40 _ 49 7/8 inches (101.6 _ 126.7 cm); Framed: 47 5/8 _ 58 _ 3 1/2 inches (121 _ 147.3 _ 8.9 cm)	Comp: The Vision of the Deluge Christie's London: Wednesday, July 9, 2008 [Lot 00209], \$990,000. Highest price ever paid at aution for the artist. For this artist the stranger the subject, the more interesting and valuable the work. The DIA picture fits this bill nicely. A beautiful women spralled on a bed, goblins, blind horse. A work filled with sybolism and mystery. Exactly what one would look for by Fuseli. Iconic painting
Paintings	European Painting	\$	4,000,000	\$	8,000,000	KGFA	DIA no. 56.32	Fra Angelico	Madonna and Child with Angels	1425/1430	Tempera and gold on panel	6 3/8 x 3 7/8 in.; 16.2 x 9.7 cm; Framed: 7 5/8 x 5 1/8 x 1 in. (19.4 x 13 x 2.5 cm)	More important than the single angel yet not as lyrical as the Annunciation Angel in the collection. A fully conceptualized private devotional image. There was a Giovanni di Paolo (less important artist) of similar size on the market for 2.5 million

Paintings	European Painting	\$	1,500,000	\$	2,500,000	KGFA	DIA no. 56.43	Giovanni Paolo Panini	Interior of St. Peter's, Rome	1750	Oil on canvas	132.7 x 145.6 cm 64 x 68 1/4 x 5 in.	FRAME: Comp: Interior of St. Peters and S. Giovanni Fuori Le Mura (a pair of paintings) Christie's London: Wednesday, July 7, 2004 [Lot 00106] \$4.3. The DIA work is a later version of a very successful composition. Original comp dates from the 1730s. Similar work in Hanover, Germany dating to 1750. The DIA work is a good but late example of the composition.
Paintings	European Painting	\$	6,000,000	\$	8,000,000	KGFA	DIA no. 57.180	Giovanni Battista Tiepolo	Woman with a Mandolin	c. 1755/1760	Oil on canvas	93.7 x 75 cm; Frame: 45 5/8 x 39 5/8 x 4 in.	Comp: Portrait of a Lady as Flora, Christie's London: December 2, 2008 [Lot 00040], \$4.2 mill. The comparable work is slightly smaller and was sold during a low point in the market. The DIA painting is larger, and a bit showier. Paintings of bare breasted beautiful women always have a strong market presence. Comp: Christie's New York: January 26, 2011 Lot 118 \$866,000 The DIA work is not in great condition, quite rubbed. Loss of glazes and texture. Museum picture is smaller and less intricate
Paintings	European Painting	\$	200,000	\$	400,000	KGFA	DIA no. 58.383	Michel Sittow	A Young Man in a Red Cap	c. 1512	Oil on oak panel	6 7/16 x 5 1/8 x 11/16 in. (16.4 x 13 x 1.8 cm); Frame: 9 3/4 x 8 5/16 x 1 11/16 in. (24.8 x 21.1 x 4.3 cm)	Comp: Christie's New York: January 26, 2011 Lot 118 \$866,000 The DIA work is not in great condition, quite rubbed. Loss of glazes and texture. Museum picture is smaller and less intricate
Paintings	European Painting	\$	3,000,000	\$	5,000,000	KGFA	DIA no. 59.444	Sodoma	The Holy Family and St. John	15th/16th Century	Oil on wood panel	Framed: 51 3/4 x 44 1/4 x 3 in. (131.4 x 112.4 x 7.6 cm); 40 1/4 x 32 1/2 in. (102.2 x 82.6 cm)	Not many results for Il Sodoma. A comp artist is the Siennese artist Beccafumi. Comps for his sales. Virgin and Child Sotheby's London: December 6, 2006 [Lot 00032] \$2.6 mill. Holy Family Sotheby's London: December 5, 2007 [Lot 00055], \$2.3 mill. The DIA picture is more lively, with more intense color and complicated composition. It is also in lovely condition.
Paintings	European Painting	\$	6,000,000	\$	8,000,000	KGFA	DIA no. 60.61	Master of the Osservanza	The Resurrection	c. 1440/1445	Tempera on wood panel	Framed: 18 1/4 x 24 x 2 1/2 in. (46.4 x 61 x 6.4 cm); 14 3/16 x 17 7/16 in. (36 x 44.3 cm)	Very rare artist. Similar work found in the NGA, Washington DC. Highest price paid at auction was \$1.6 in 2008 for not nearly as interesting and complicated work. Pietro Lorenzetti a couple of years ago made \$5.7 mill
Paintings	European Painting	\$	3,000,000	\$	5,000,000	KGFA	DIA no. 61.397	Lucas Cranach the Elder	Saint Christopher	1518/1520	Oil on linden panel	Framed: 17 1/2 x 11 3/4 x 1 5/8 in. (44.45 x 29.85 x 4.14 cm); 16 1/2 x 11 in. (41.9 x 27.9 cm)	Comp: David and Bathsheba, Sotheby's London: July 9, 2008 Lot 62, \$4.1 Even though the subject is religious, the painting has a lively, sexy quality to it in tone and subject (neriad), beautiful conditon, beautiful foliage - all the precision you want to find with the artist.
Paintings	European Painting	\$	2,000,000	\$	3,000,000	KGFA	DIA no. 64.117	John Constable	The Glebe Farm	1827	Oil on canvas	18 1/4 x 23 1/2 (46.4 x 59.7); Frame: 26 3/8 x 30 3/4 x 2 in. (67.0 x 78.1 x 5.1 cm)	Comp: White Horse, Christie's London: November 30, 2000 [Lot 00003], \$1.0 mill, View of the City of London, Christie's London: Wednesday, November 26, 2003 [Lot 00008] \$966,000 Glebe Farm is a more cohesive and dense work than either of the comps listed here. However, the only other comp is The Lock which sold for \$35,000,000. It is similar in feel and execution but not nearly as monumental in scale.
Paintings	European Painting	\$	400,000	\$	600,000	KGFA	DIA no. 64.459	Peter Paul Rubens	Saint Ives of Treguier, Patron of Lawyers, Defender of Widows and Orphans	1615/1616	Oil on canvas	113 x 87 in. (287.0 x 221.0 cm); Framed: 125 x 99 3/4 x 5 1/2 in. (317.5 x 253.4 x 14 cm)	Comp: Holy Family with St. Anne, Dorotheum: April 9, 2014 Lot 528 \$694,000, Hercules and Omphale, Christie's London: December 3, 2013 Lot 8 \$654,000.
Paintings	European Painting	\$	1,000,000	\$	2,000,000	KGFA	DIA no. 65.10	Gerard Ter Borch	Lady at Her Toilette	c. 1660	oil on canvas	Unframed: 30 _ 23 1/2 inches (76.2 _ 59.7 cm); Framed: 43 7/8 _ 37 5/8 _ 3 1/4 inches (111.4 _ 95.6 _ 8.3 cm)	Comp: The Card Players, Sotheby's New York: Thursday, June 4, 2009 [Lot 00020], \$1,590,000. Although appearing skinned in the background, the DIA work is a very elegant composition with a rich, lavish depiction of silks, finery, carpets etc. Most of the works by this artist a singular portraits and do not depict the refined Dutch upper class in an interior setting.

Paintings	European Painting	\$	1,500,000	\$	2,500,000	KGFA	DIA no. 65.347	Niccolo	dell' Abbate	Eros and Psyche	16th Century	Oil on canvas	Framed: 50 1/4 x 48 7/8 x 2 1/2 in. (127.6 x 124.2 x 6.4 cm); 39 1/4 x 36 1/2 in. (99.7 x 92.7 cm)	Comp: School of Fontainebleau Lady at Her Bath, Christies 2013 \$450,000, Portrait of a Nobleman, Sotheby's London: July 8, 2009 [Lot 00016] - This work is by similar artist Primaticcio and was Attributed to, not full authorship was given. \$1.2 mill. Sexy subject, not great condition, uncommon to find school of Fontainebleau work, large image. Highest ever paid at auction for dell'Abate is \$350,00 however it is a portrait of a man, not a mythological scene.
Paintings	European Painting	\$	2,000,000	\$	4,000,000	KGFA	DIA no. 66.15	Giovanni	di Paolo	Saint Catherine of Siena Dictating Her Dialogues	c. 1447/1449	Tempera on wood panel	14 x 14 1/8 x 1 3/4 in.; 11 3/8 x 11 3/8 in.; 28.9 x 28.9 cm	Gold Ground on retail market in 09 for \$2.0 mill at Moretti. The DIA picture probably relates more closely to the works in the Met and was a predella panel for an altarpiece commissioned in 1447. The only fully attributed work on the open market was bought in possibly due to its poor state.
Paintings	European Painting	\$	1,000,000	\$	1,500,000	KGFA	DIA no. 68.298	Jacob Isaaksz	van Ruisdael	Wooded Landscape with a Stream	1665/1668	Oil on canvas	21 1/8 x 24 1/2 (53.02 x 62.2); Frame: 28 1/2 x 32 1/2 x 3 1/2 in. (72.4 x 82.6 x 8.9 cm)	Comp: Wooded Landscape Sotheby's New York: January 30, 2014 Lot 31, \$665,000, Christie's New York: January 29, 1999 Lot 182, \$1.1 This is a fine example of the artist's work. Well balanced composition, good condition and good detail.
Paintings	European Painting	\$	10,000,000	\$	15,000,000	KGFA	DIA no. 68.47	Orazio	Gentileschi	Young Woman with a Violin (Saint Cecilia); Alternate Title: Artemisia Gentileschi as Saint Cecilia	c. 1612	Oil on canvas	83.5 x 97.8 cm; Framed: 41 x 47 x 4 in. (104.1 x 119.4 x 10.2 cm)	Madonna and Child, Christie's London: December 6, 2007 [Lot 00071], \$4.1 mill, Holy Family, Sotheby's London: Thursday, July 6, 2000 [Lot 00028] \$3.6 mill Neither of these works come close to the beauty or importance of the DIA Young Woman with a Violin Artist of Similar stature, Guercino, King David Christie's London: Tuesday, July 6, 2010 [Lot 00007] \$7.8 mill The value is higher because of
Paintings	European Painting	\$	6,000,000	\$	8,000,000	KGFA	DIA no. 69.6	Guido	Reni	The Angel Appearing to St. Jerome	c. 1638	Oil on canvas	Framed: 91 1/4 x 71 x 4 1/2 in. (231.8 x 180.3 x 11.4 cm); 199.7 x 147.9 cm	Highest price ever paid is \$3.6 which was small and on copper. This is a large scale altarpiece and these rare on the market
Paintings	European Painting	\$	3,000,000	\$	4,000,000	KGFA	DIA no. 70.164	Jean Siméon	Chardin	Still Life; Alternate Title: Kitchen Still Life	c. 1732	Oil on panel	6 3/4 x 8 1/4 in. (17.1 x 20.96 cm); Framed: 11 1/2 x 13 x 2 1/4	Comp: Sotheby's New York, 1/26/06, lot 56 \$665,000 Sotheby's New York, 1/24/02 lot 196A \$1,250,000 - 1,700,000 BI Small panel beautifully preserved, fantastic provenance, early work
Paintings	European Painting	\$	1,000,000	\$	1,500,000	KGFA	DIA no. 70.170	Jean Auguste Dominique	Ingres	Perseus and Andromeda; Alternate Title: Study for Roger and Angelica	c. 1819	Oil on canvas	7 3/4 x 6 3/8 in. (19.7 x 16.2 cm); Framed: 12 7/8 x 11 1/4 x 2 1/2 in. (32.7 x 28.6 x 6.4 cm)	Comp: Jupiter and Thetis, Christie's Monaco: Saturday, December 2, 1989 [Lot 00068], \$2.4 mill. There is not one work that has come up on the public market that comes close to the little jewel of a work. The color, the composition the grace. Ingres is the 2nd most important painter behind David of the early 19th century. The LACMA just purchased a small version of the Grand Odalisque, perhaps 2 or 3 months ago for \$750,000.
Paintings	European Painting	\$	5,000,000	\$	7,000,000	KGFA	DIA no. 71.1		Guercino (Giovanni Francesco Barbieri)	Assumption of the Virgin	1650	Oil on canvas	Framed: 133 1/2 x 99 1/4 x 4 in. (339.1 x 252.1 x 10.2 cm); 121 1/4 x 86 1/2 in. (308.0 x 219.7 cm) ; 94 1/8 x 61 3/4 in. (239.1 x 156.8 cm); Framed: 102 3/8 x 68 3/8 x 4 3/4	Comp: King David Christie's London: Tuesday, July 6, 2010 [Lot 00007] \$7.8 mill This is a lesser work by the artist. Although larger, it has a more formulaic quality to it. Not as inspired as other
Paintings	European Painting	\$	3,000,000	\$	5,000,000	KGFA	DIA no. 71.169	Thomas	Gainsborough	The Honorable Richard Savage Nassau de Zuylestein, M.P.	c. 1778/1780	Oil on canvas		Comp: Portrait of Philip Stanhope Christie's London: Tuesday, December 6, 2011 [Lot 00036] \$3.3 mill. Very similar in feel, size and composition

Paintings	European Painting	\$	4,000,000	\$	6,000,000	KGFA	DIA no. 71.170	Thomas	Gainsborough	Lady Anne Hamilton; Alternate Title: Lady Anne Hamilton, later Duchess of The Shepherdess	c. 1778	oil on canvas	Framed: 101 7/8 _ 68 1/2 _ 4 3/4 in. (258.8 _ 174 _ 12 1 cm); Unframed: 93 58 1/2 x 36 7/8 in. (148.6 x 93.7 cm);shaped canvas; FrameD: 64 3/4 x 42 5/8 x 4	See above - female sitter and more loosely painted.
Paintings	European Painting	\$	10,000,000	\$	15,000,000	KGFA	DIA no. 71.390.A	Jean Honore	Fragonard		1754/1755	Oil on canvas		Comp: Aurora, Sotheby's New York: Thursday, January 31, 2013,\$3.8 mill. To be sold as together. Important commission and provenance
Paintings	European Painting	n/a part of 4	n/a part of 4			KGFA	DIA no. 71.390.B	Jean Honore	Fragonard	The Grape Gatherer; Alternate Title: Scenes of Country Life (#2 of 4)	1754/1755	Oil on canvas	59 1/8 x 33 3/4 in. (150.2 x 85.7 cm);shaped canvas; FrameD: 64 5/8 x 39 1/2 x 3 3/4	
Paintings	European Painting	n/a part of 4	n/a part of 4			KGFA	DIA no. 71.390.C	Jean Honore	Fragonard	The Reaper; Alternate Title: Scenes of Country Life (#3 of 4)	1754/1755	Oil on canvas	59 x 34 in. (149.9 x 86.4 cm), shaped canvas; FrameD: 64 5/8 x 39 5/8 x 3 3/4	
Paintings	European Painting	n/a part of 4	n/a part of 4			KGFA	DIA no. 71.390.D	Jean Honore	Fragonard	The Gardener; Alternate Title: Scenes of Country Life (#4 of 4)	1754/1755	Oil on canvas	58 3/4 x 36 3/4 in. (149.2 x 93.3 cm), shaped canvas; FrameD: 64 5/8 x 43 x 3 3/4	
Paintings	European Painting	\$	700,000	\$	900,000	KGFA	DIA no. 72.201		Rembrandt Harmensz van Rijn	Man Wearing a Plumed Beret and Gorget	mid 1630's	Oil on oak panel	27 1/8 x 20 3/8 (68.9 x 51.8); Frame: 34 3/4 x 28 x 4 in. (88.3 x 71.1 x 10.2 cm)	Comp: Portrait of a Young Man, Sotheby's Amsterdam:November 11, 2008 Lot 36, \$161,000, Govaert Flinck Portrait of an Old Man, Sotheby's London: April 27, 2006 Lot 42. This is a first rate studio work by Rembrandt and has been proposed to be by Govaert Flinck, his pupil. It's in good condition, on panel and from the 1630s.
Paintings	European Painting	\$	1,500,000	\$	2,500,000	KGFA	DIA no. 73.1	Charles	Le Brun	The Presentation of Christ in the Temple; Alternate Title: The Purification of the Virgin	1645	Oil on canvas	Framed: 122 x 92 7/8 x 4 1/2 in. (309.9 x 235.9 x 11.4 cm) 231LPs; Stretcher: 107 x 78 7/8 in. (267.0 x 194.3 cm); Framed Weight 230 LBs (date 1-07): Canvas: 105 Unframed: 39 3/8 x 52 15/16 in. (100 x 134.5 cm); Framed: 51 x 64 3/4 x 3 3/4 in. (129.5 x 164.5 x 9.5 cm)	Comp: Le sacrifice de Polyxène,Christie's Paris: Monday, April 15, 2013 [Lot 00036], \$1.885 Suzanne devant ses juges, Beaussant & Lefèvre: Friday, December 4, 1998 [Lot 00056] \$639,829 The DIA picture is larger but of similar quality to the Christie's work.
Paintings	European Painting	\$	30,000,000	\$	40,000,000	KGFA	DIA no. 73.268	Michelangelo	Merisi da Caravaggio	The Conversion of the Magdalen; Title: The Conversion of the Magdalen; Alternate Title: The Alzaga Caravaggio	c. 1598	oil and tempera on canvas		There are 4 works in private hands by Caravaggio - 2 versions of the Lute Player, Portrait of Maffeo Barberini and Sacrifice of Isaac - all of which have been valued between 60 - 100 million dollars. Because the condition of this work is quite skinned, it should be placed at the lower end of the spectrum. This evaluation assumes full authorship.
Paintings	European Painting	\$	10,000,000	\$	15,000,000	KGFA	DIA no. 77.1.1	Fra	Angelico	Annunciatory Angel; former: Angel Annunciate	between 1450 and 1455	gold leaf and tempera on wood panel	Unframed: 13 _ 10 5/8 inches (33 _ 27 cm); Framed: 19 3/8 inches _ 17 1/4 inches _ 2 inches (49.2 _ 43.8 _ 5.1 cm)	Early renaissance masterpiece, icon. No market comparables are available other than the Duccio di Buonisegna which was sold to the Met for \$45 mill. The Met work is a private devotional work and not a fragment as the DIA piece is. In good condition.

Paintings	European Painting	\$	3,000,000	\$	5,000,000	KGFA	DIA no. 77.1.2	Fra Angelico	Virgin Annunciate	between 1450 and 1455	gold leaf and tempera on wood panel	Framed: 19 1/2 inches _ 17 3/8 inches _ 2 inches (49.5 _ 44.1 _ 5.1 cm); Unframed: 13 _ 10 5/8 inches (33 _ 27 cm)	Condition issues. Not nearly as much hand of the artist remains. See explanation above. This angel, while lovely, does not possess any of the detail of the Annunciatory Angel above.
Paintings	European Painting	\$	4,000,000	\$	6,000,000	KGFA	DIA no. 77.2	Benozzo Gozzoli	Virgin and Child with Angels	c. 1460	Gold leaf and tempera on wood panel	Framed: 41 x 32 1/4 x 4 5/8 in. (104.1 x 81.9 x 11.8 cm); 25 3/4 x 19 7/8 in. (65.4 x 50.5 cm)	A very rare early Florentine Renaissance artist. Think Medici Palace frescoes. Assuming good condition, this work is in the same general range as the Fra Angelico and more important than the Sassetta. No good market comparables are available.
Paintings	European Painting	\$	10,000,000	\$	12,000,000	KGFA	DIA no. 77.3	Pietro Perugino	Madonna and Child	c. 1500	tempera on panel	Framed: 50 1/8 _ 42 1/2 _ 5 1/4 inches (127.3 _ 108 _ 13.3 cm); Unframed: 31 3/4 _ 25 1/2 inches (80.6 _ 64.8 cm)	Italian Renaissance masterpiece and prefigures Raphael. One in terrible condition sold for \$600,000 in 2013. It was a shell of its former self. The DIA work is in fine condition with its beautiful glazes in tact. There are 2 Raphaels on in private hands which would be more expensive but are comparable. Bridgewater Madonna and the Holy Family. The Madonna of the Pinks sold for @ \$50mill in 2004 and recently a Raphael drawing sold for \$48 mill in 2009. Perugino is not Raphael but one cannot dispute his importance
Paintings	European Painting	\$	30,000	\$	50,000	KGFA	DIA no. 77.72	Jean Francois de Troy	Luncheon with Figures in Masquerade Dress	1725	Oil on canvas	88 1/4 x 65 in.; 224.2 x 165.1 cm; Frame: 100 3/4 x 79 3/8 x 4 1/2 (255.9 x 201.6 x 11.4)	Comp: Workshop paintings for this artist generally come in well below \$100,000. This is a large, well painted work in decent condition.
Paintings	European Painting	\$	4,000,000	\$	6,000,000	KGFA	DIA no. 77.81	Hans Holbein the Younger	A Woman	1532/1534	Tempera and oil on oak panel	Framed: 15 5/8 x 13 5/8 x 1 1/2 in. (39.7 x 34.6 x 3.8 cm); 9 1/8 x 7 1/2 in. (23.2 x 19.1 cm)	Comp: Large Circle of H, Henry the VIII, Christie's London: July 5, 2011 Lot 6, \$1.0 mill "The Madonna with the Family of Mayor Meyer", Holbein masterpiece sold for \$70 million in Germany. Might have been worth more but no export license.
Paintings	European Painting	\$	2,500,000	\$	3,500,000		DIA no. 78.59	John Everett Millais	Leisure Hours	1864	Oil on canvas	35 x 46 1/2 (88.9 x 118.1); 44 x 55 5/8 x 2 3/8 in. (111.8 x 141.3 x 6.0 cm)	Christie's London, July 11, 2013, lot 9, \$3,481,359; Sotheby's London, July 1, 2004, lot 21, \$2,036,179; Christie's London, June 11, 2003, lot 9, \$2,062,083
Paintings	European Painting	\$	1,000,000	\$	2,000,000	KGFA	DIA no. 79.30	Bartolomeo Manfredi	The Fortune Teller	c. 1616/1617	Oil on canvas	122.2 x 154 cm; Frame: 62 1/2 x 75 x 4 in.	Comp: Men Drinking in a Tavern, Sotheby's New York: Friday, January 28, 2000 [Lot 00061], \$1 - 1.5 mill BI Excellent Baroque Caravaggesque subject. Condition is an issue
Paintings	European Painting	\$	2,000,000	\$	3,000,000	KGFA	DIA no. 89.11	Giovanni Battista Cima	Madonna and Child	late15th/early 16th Century	Paint on wood panel	25 3/8 x 18 7/8 inches (64.5 x 47.9 cm); Framed: 33 1/8 x 26 7/8 x 2 3/8 (84.1 x 68.3 x 6.0)	Comp: Madonna and Child in a Landscape, Christie's New York: Thursday, April 19, 2007 [Lot 00064], \$3.4 mill. The painting sold at auction has a more complicated background and more animated subjects. Earliest picture in the collection? 1889?
Paintings	European Painting	\$	600,000	\$	800,000	KGFA	DIA no. 89.23	Guido Reni	Head of Christ Crowned with Thorns	early 1630's	Oil on copper panel	Panel: 19 1/2 x 16 inches (49.5 x 40.6 cm); Framed: 33 x 29 5/8 x 2 inches (83.8 x 75.3 x 5.1 cm)	Comp: Ecce Homo Sotheby's London: Wednesday, December 6, 2006 [Lot 00039] \$636,000 Christ Crowned with Thorns Christie's London: Tuesday, July 8, 2008 [Lot 00009] \$240,000. Lovely work by the artist, on copper and therefore in good condition as it retains its colors and support more effectively.

Paintings	European Painting	\$	400,000	\$	600,000	KGFA	DIA no. 89.30	Gerrit Adriaensz.	Berckheyde	View of the Grote Kerk in Haarlem	1695	Oil on canvas	Canvas: 19 5/8 x 16 3/4 inches (49.8 x 42.5 cm); Framed: 26 3/4 x 23 5/8 x 2 1/2	Comp: Grote Markt, Christie's New York: January 29, 2014 Lot 25, \$245,000, Haarlem, St. Bavo's Church Christie's Amsterdam: November 1, 2011 Lot 22 \$100,000 - 160,000 Bl, The Hague, Sotheby's New York: January 26, 2011 Lot 3 \$660,000 Varying prices - This is an interesting view, in good condition and on canvas. It is more intriguing that the 2014 sale but less so than the 1/26/11 sale.
Paintings	European Painting	\$	6,000,000	\$	8,000,000	KGFA	DIA no. 89.35	Jan	Provost	The Last Judgment	c. 1525	Oil on oak panel	Framed: 29 5/8 x 30 9/16 x 3 inches (75.25 x 77.63 x 7.62 cm); 22 3/4 x 23 7/8 inches (57.8 x 60.6 cm)	Comp: Annunciation, Christie's New York: January 29, 2014 Lot 156, \$3.6 This is the only comp on file for Provost. The DIA picture is larger and much more complicated. It is very rare to find this artist, with a large scale work for sale.
Paintings	European Painting	\$	400,000	\$	600,000	KGFA	DIA no. 89.39	Pieter	de Hooch	Mother Nursing Her Child	c. 1674/1676	Oil on canvas	Canvas: 31 3/8 x 23 1/2 inches (79.7 x 59.7 cm); Framed: 40 3/8 x 32 1/4 x 3 3/8	Comp: Mother and Child Sweeping Christie's New York: Wednesday, January 26, 2011 Lot 00028, 200 - 300,000 Bl, Lady Nursing in an Interior, Christie's London: Tuesday, July 8, 2008 [Lot 00035] 400 - 600,000 Bl. DIA is very similar to the 2008 picture, perhaps in slightly better condition.
Paintings	European Painting	\$	200,000	\$	300,000	KGFA	DIA no. 89.44		Rembrandt Harmensz van Rijn	The Death of Lucretia (?)	mid 1640's	Oil on canvas	Unframed: 68 1/2 _ 86 1/2 inches (174 _ 219.7 cm); Framed: 81 1/2 _ 100 3/4 _ 5 3/4 inches (207 _ 255.9 _ 14.6 cm)	Comp: Adoration of the Magi, Sotheby's London: Thursday, December 9, 2010 [Lot 00125], \$153,000, Large format subject from unknown hand. Discreet quality, but by no means exceptional. Has passages of mediocre conservation. Clumsy handling of various pictorial elements.
Paintings	European Painting	\$	800,000	\$	1,200,000	KGFA	DIA no. 89.46	Jan Havicksz	Steen	Gamblers Quarreling	c. 1665	Oil on canvas	Canvas: 27 3/4 x 35 inches (70.5 x 88.9 cm); Framed: 36 1/2 x 44 1/4 x 2 3/4	Comp: Village Wedding, Christie's New York: Wednesday, January 27, 2010 [Lot 00022], \$362,000, Tavern with Cock Fighting, Christie's London: Thursday, July 5, 2007 [Lot 00029], \$150 - 260,000 Bl, The 12th Night, Sotheby's New York: Thursday, June 4, 2009 [Lot 00018] \$675,000 DIA picture is identical in size, tone and handling to the 12th Night. Taking into account that they are in analagous condition, and this picture sold for \$675,000 in the height of the last recession, I believe that there is a notable increase in value from the last sale.
Paintings	European Painting	\$	8,000,000	\$	10,000,000	KGFA	DIA no. 89.63	Peter Paul	Rubens	The Meeting of David and Abigail	1625/1628	Oil on canvas	70 1/4 x 98 inches; 178.5 x 249.0 cm; Framed: 86 3/4 x 114 1/2 x 6 1/2 inches; 220.3 x 290.8 x 16.5 cm	Very fancy French provenance. Large scale, includes somewhat clumsy passages. Some question as to whether it is fully autograph or not. Massacre of the Innocents sold for \$76,000,000, Single figure Portrait of a Commander sold for \$13,000,000
Paintings	European Painting	\$	100,000	\$	150,000	KGFA	DIA no. 89.70	Bartolome Esteban	Murillo	The Immaculate Conception	17th Century	Oil on canvas	Unframed: 78 x 53 inches (198.1 x 134.6 cm); Framed: 93 1/2 x 62 1/4 x 4 1/2 inches (237.5 x 158.1 x 11.4 cm)	Comp: Immaculate Conception, Christie's London: Thursday, July 6, 2006 [Lot 00046] \$430,000 Studio versions sell for less than \$100,000. This is a particularly well painted workshop piece.
Paintings	European Painting	\$	1,200,000	\$	1,800,000	KGFA	DIA no. 37.21	Jacob Isaaksz	van Ruisdael	Farm and Hayrick on a River	late 1640's	Oil on oak panel	15 1/2 x 20 3/8 (39 x 51.2); Frame: 24 3/4 x 29 1/2 x 2 3/8 in. (62.9 x 74.9 x 6.0 cm)	Comp: Sotheby's 1/26/12, lot 23 \$782,000, Christies's NY, 6/4/14 lot 38, \$1,800,000, Lush rich example on panel with water. The \$1.8 mill sale is a more poetic and romantic image and less formulaic that 37.21. This was not on view so therefore I cannot judge the condition. I am assuming that it is in a well preserved state as it is on panel.

Artvest Total 19th Century & Old Master Prgs	\$	349,810,000	\$	496,550,000
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Sculpture	European Sculpture and Dec Arts	\$	100,000	\$	200,000		DIA no. 1987.75	Louis Francois Roubiliac	Bust of Isaac Ware	c. 1741	marble	Overall: 25 3/4 inches _ 18 inches _ 9 5/8 inches (65.4 _ 45.7 _ 24.4 cm); Mount (pedestal): 49 7/16 _ 16 3/4 _ 16 3/4 inches (125.6 _ 42.5 _ 42.5 cm)	Summary not provided
Ceramic	European Sculpture and Dec Arts	\$	200,000	\$	400,000	JHY	DIA no. 1990.245	Doccia Porcelain Factory	Apollo in his Chariot; translated: Vaso	between 1748 and 1750	hard paste porcelain	Including base: 23 5/8 _ 13 1/2 _ 8 1/4 inches (60 _ 34.3 _ 21 cm)	Bonham's London, Dec 7, 2011, lot 30, 657,250 EUR; Christie's Paris, Nov. 26, 2005, lot 292, \$218,271; Sotahby's Milan, April 18, 2007, lot 246, 174,000 EUR.
Sculpture	European Sculpture and Dec Arts	\$	100,000	\$	200,000	JHY	DIA no. 1997.1	Jean-Léon Gérôme	Seated Woman	c. 1890/1895	Marble with original wax and polychromy	17 x 13 3/4 x 13 3/4 in.; 43.2 x 34.9 x 34.9 cm	Summary not provided
Sculpture	European Sculpture and Dec Arts	\$	150,000	\$	300,000	JHY	DIA no. 2001.67	Francois Rude	Departure of the Volunteers of 1792 (The Marseillaise)	c. 1835	original plaster model	Unframed: 42 inches _ 24 1/2 inches _ 7 inches (106.7 _ 62.2 _ 17.8 cm); Framed: 51 1/2 inches _ 36 1/2 inches _ 7 inches (130.8 _ 92.7 _ 17.8 cm) Including base (depth Overall: 64 _ 17 1/2 _ 13 inches (162.6 _ 44.5 _ 33 cm)	Based on the unique nature of this plaster model, direct comparables are difficult. A comparison is made to terracotta maquettes by Rodin for the large scale Gates of Paradise. Christie's Paris, November 28, 2012, lot 21, \$373,808.
Sculpture	European Sculpture and Dec Arts	\$	4,000,000	\$	6,000,000	JHY	DIA no. 22.3	Michel Erhardt	Virgin and Child; Alternate Title: Virgin and Child on the Crescent Moon; Alternate Title: Madonna and Child	c. 1480	linden wood with traces of polychromy and gesso	Overall: 64 _ 17 1/2 _ 13 inches (162.6 _ 44.5 _ 33 cm)	Sotheby's NY, Jan 24, 2008, lot 31, \$6,313,000; Sotheby's NY, May 22, 2001, lot 32, \$2,9975,750; Sotheby's London, July 2, 2013, lot 26, 458,500 GBP
Sculpture	European Sculpture and Dec Arts	\$	6,000,000	\$	8,000,000		DIA no. 27.150	Nino Pisano	Madonna and Child	between 1350 and 1360	fine grained white marble with traces of polychromy	Overall (with pedestal): 46 1/2 _ 29 _ 25 inches (118.1 _ 73.7 _ 63.5 cm); Overall (without pedestal): 20 x 9 x 4 in. (50.8 x 22.9 x 10.2 cm)-sight	Summary not provided
Sculpture	European Sculpture and Dec Arts	\$	3,000,000	\$	4,000,000		DIA no. 37.147	Pollaiuolo	Judith	c. 1470	Bronze with traces of gilding		
Ceramic	European Sculpture and Dec Arts	\$	400,000	\$	600,000	JHY	DIA no. 37.74	Unknown	Vase	c. 1470	Tin-glazed earthenware with polychrome decoration	15 1/4 x 11 1/8 x 8 1/4 in. (38.74 x 28.26 x 21 cm)	Extremely, its importance is based on its historical association with the court of Lorenzo de Medici not on its aesthetic quality. Also, it has restoration to the foot. Christie's London, July 9, 1999, lot 140, \$478,055; Christie's Paris, Dec. 17, 2009, lot 50, \$1,707,918; Sotheby's London, Dec. 8, 2009, Lot 1, 481,250 GBP

Sculpture	European Sculpture and Dec Arts	\$	6,000,000	\$	8,000,000	DIA no. 40.19	Donatello	Madonna and Child	1410/1420	Gilt terracotta with polychrome decoration	26 5/8 x 14 7/8 x 13 1/8 in. (67.6 x 37.8 x 33.3 cm)	Summary not provided	
Sculpture	European Sculpture and Dec Arts	\$	100,000	\$	150,000	DIA no. 41.124	Donatello	Coat of Arms of the Boni Family	c. 1457	sandstone (Pietra serena)	Overall: 85 _ 29 1/4 inches (215.9 _ 74.3 cm)	Summary not provided	
Sculpture	European Sculpture and Dec Arts	\$	2,000,000	\$	3,000,000	DIA no. 49.23	Jean Antoine	Houdon	Robert Fulton	c. 1804	Marble	Includes socle: 28 3/4 x 20 x 12 3/4 in. (73 x 50.8 x 32.4 cm)	Summary not provided
Sculpture	European Sculpture and Dec Arts	\$	1,000,000	\$	1,500,000	DIA no. 49.417	Danese	Cattaneo	Neptune: Allegory of Winter and Water	c. 1545	bronze, cast after wax model, black patina	Overall: 48 _ 23 1/2 _ 23 inches (121.9 _ 59.7 _ 58.4 cm)	Summary not provided
Sculpture	European Sculpture and Dec Arts	\$	1,000,000	\$	1,500,000	DIA no. 49.418	Danese	Cattaneo	Mars: Allegory of Summer and Fire	c. 1545	bronze, cast after wax model, black patina	Overall: 47 _ 18 _ 14 inches (119.4 _ 45.7 _ 35.6 cm)	Summary not provided
Sculpture	European Sculpture and Dec Arts	\$	2,000,000	\$	3,000,000	DIA no. 52.218	Giovanni Lorenzo	Bernini	Triton with a Sea Serpent	c. 1630s - before 1642	Terracotta	11 x 6 3/4 x 7 1/4 in. (27.9 x 17.1 x 18.4 cm)	Summary not provided
Sculpture	European Sculpture and Dec Arts	\$	2,000,000	\$	3,000,000	DIA no. 52.219	Giovanni Lorenzo	Bernini	Triton with a Shell	c. 1630 - before 1642	Terracotta	12 1/8 x 8 3/8 x 7 1/8 in. (30.8 x 21.3 x 18.1 cm)	Summary not provided
Sculpture	European Sculpture and Dec Arts	\$	3,000,000	\$	5,000,000	DIA no. 52.220	Giovanni Lorenzo	Bernini	Chair of St. Peter	1658	terracotta	Overall: 23 _ 11 1/2 _ 11 inches (58.4 _ 29.2 _ 27.9 cm)	
Furniture Accessory	European Sculpture and Dec Arts	\$	500,000	\$	800,000	JHY DIA no. 53.177	Etienne	Pollet	Large Jewelry Box; Alternate Title: Large Jewelry Box	1738/1739	Silver	4 1/2 x 10 3/4 x 8 5/8 in. (11.4 x 27.3 x 21.9 cm)	Needs to be sold as a set along with DIA numbers 53.178 through 53.186 as a complete toilet set. Christie's Paris, Oct. 3, 2012, lot 39, \$125,258; Christie's London, June 7, 2011, lot 206, 265,250 GBP; Christie's NY, October 21, 2003, lot 425, estimated \$450,000 - \$550,000, unsold (BI).
Furniture Accessory	European Sculpture and Dec Arts	\$	-	\$	-	JHY DIA no. 53.178	Etienne	Pollet	Large Jewelry Box; Alternate Title: Large Jewelry Box	1738/1739	Silver	4 3/4 x 11 x 9 in.	Needs to be sold together with DIA 53.177 and is valued above as if it would be sold as a set.
Furniture Accessory	European Sculpture and Dec Arts	\$	-	\$	-	JHY DIA no. 53.183	Antoine	LeBrun	Ewer; Alternate Title: Ewer	1738/1739	Silver	Ewer: 10 1/8 x 6 1/8 x 5 1/8 in. (25.7 x 15.6 x 13 cm)	Needs to be sold together with DIA 53.177 and is valued above as if it would be sold as a set.
Furniture Accessory	European Sculpture and Dec Arts	\$	-	\$	-	JHY DIA no. 53.184	Antoine	LeBrun	Basin; Alternate Title: Basin	1738/1739	Silver	2 5/8 x 13 3/8 x 9 15/16 in. (6.7 x 34 x 25.2 cm)	Needs to be sold together with DIA 53.177 and is valued above as if it would be sold as a set.

Furniture Accessory	European Sculpture and Dec Arts	\$	-	\$	-	JHY	DIA no. 53.185	Antoine	LeBrun	Table Mirror; Alternate Title: Table Mirror	1738/1739	Silver	26 1/2 x 23 7/8 x 2 1/2 in. (67.3 x 60.6 x 6.4 cm); Display dims.: 25 3/8 x 23 7/8 x 11 1/8 in. (64.4 x 60.6 x 28.3 cm)	Needs to be sold together with DIA 53.177 and is valued above as if it would be sold as a set.
Furniture Accessory	European Sculpture and Dec Arts	\$	-	\$	-	JHY	DIA no. 53.186	Antoine	LeBrun	Pair of Cosmetic Pots with Stand; Alternate Title: Pair of Cosmetic Pots with Stand	1738/1739	Silver	Cosmetic Pots: 4 x 2 3/4 in. diam. ea.; Stand: 1 1/2 x 9 1/2 x 6 3/4 in.	Needs to be sold together with DIA 53.177 and is valued above as if it would be sold as a set.
Arms and Armor	European Sculpture and Dec Arts	\$	500,000	\$	1,000,000	JHY	DIA no. 53.193	Lorenz	Helmschmied	Armor in the Gothic Style	c. 1485 and later	Steel, copper alloy, leather	As displayed: 71 x 28 1/2 x 26 1/4 in. (180.34 x 72.39 x 66.68 cm)	Complete, period (most are 19th century reproductions or are composites from different sets) garnitures of armor have not shown up at auction in a long period of time, there are no real comparables on which to base an estimate. Given the quality, and Hearst Collection provenance, and its known maker, we estimate it could sell for \$500,000 to a million. Only reasonable comp is from Pierre Berge & Associates, Paris, December 13, 2011, lot 179, 270,000 Euros.
Arms and Armor	European Sculpture and Dec Arts	\$	150,000	\$	300,000	JHY	DIA no. 53.196		Unknown	Jousting Armor; Title: Jousting Armor	c. 1580	Steel, copper alloy, leather, paint	As displayed: 69 x 27 1/4 x 20 5/8 in. (175.26 x 69.22 x 52.37 cm)	A lesser piece than DIA 53.193, it would be at the lower end of the comp referred to above.
Arms and Armor	European Sculpture and Dec Arts	\$	150,000	\$	300,000	JHY	DIA no. 53.197		Unknown	Armor for the Tilt in the Saxon Fashion	c. 1590	Steel, leather	As displayed: 70 1/2 x 30 x 17 7/8 in. (179.07 x 76.2 x 45.39 cm)	A lesser piece than DIA 53.193, it would be at the lower end of the comp referred to above.
Arms and Armor	European Sculpture and Dec Arts	\$	150,000	\$	300,000		DIA no. 53.198		Unknown	Half-Armor; Alternate Title: Corsaletto	c. 1550	steel , gilding	Overall (top of helmet to tip of tassel): 47 1/2 inches (120.7 cm)	A lesser piece than DIA 53.193, it would be at the lower end of the comp referred to above.
Arms and Armor	European Sculpture and Dec Arts	\$	150,000	\$	300,000		DIA no. 53.200		Unknown	Corsaletto; Title: Half Armor of Corsaletto	c. 1605	Steel, blued, etched and gilded	30 1/2 x 23 3/4 x 13 1/2 in. (77.47 x 60.33 x 34.29 cm); Pedestal: 36 3/8 x 17 3/4 x 14 1/2 in. (92.4 x 45.1 x 36.8 cm); Top base: 5 1/8 x 9 1/2 x 8 3/4 in. (13 x 24.1 x 22.2 cm)	A lesser piece than DIA 53.193, it would be at the far lower end of the comp referred to above.
Silver	European Sculpture and Dec Arts	\$	400,000	\$	600,000	JHY	DIA no. 55.183.A	Thomas	Germain	Tureen with Lid and Stand	1729/1730	Silver, cast, applied, chased, and sculpted.	8 1/2 x 17 1/6 x 13 7/8 in. (21.6 x 43.6 x 35.2 cm)	Sotheby's Paris, April 18, 2012, lot 89, \$709,645; Christie's London, July 5, 2000, lot 10, \$471,054; Christie's Paris, November 8, 2013, lot 135, \$2,374,115; Sotheby's Nov. 20, 2003, lot 196, 688,800 GBP
Tapestry	European Sculpture and Dec Arts	\$	150,000	\$	250,000	JHY	DIA no. 55.519		Unknown	Pride; Alternate Title: Superbia	c. 1500/1510	Wool, silk	148 x 264 in. (375.9 x 670.6 cm)	Sotheby's London, Oct. 29, 2008, lot 46, 229,250 GBP; Christie's NY, April 20, 2007, lot 121 \$144,000; Christie's London, Dec. 14-15, 2005, lot 79, \$330,970
Tapestry	European Sculpture and Dec Arts	\$	150,000	\$	250,000	JHY	DIA no. 55.520		Unknown	Charity; Alternate Title: Caritas	c. 1500/1510	Wool, silk	152 x 250 in. (386 x 635 cm)	See note for DIA 55.519
Tapestry	European Sculpture and Dec Arts	\$	150,000	\$	250,000	JHY	DIA no. 55.521		Unknown	Fortitude; Alternate Title: Fortitudo	c. 1500/1510	Wool, silk	152 x 260 in. (386.1 x 660.4 cm)	See note for DIA 55.519

Tapestry	European Sculpture and Dec Arts	\$	150,000	\$	250,000	JHY	DIA no. 55.522	Unknown	Wrath; Alternate Title: Ira	c. 1500/1510	Wool, silk	150 x 264 in. (381.0 x 670.6 cm)	See note for DIA 55.519
Silver	European Sculpture and Dec Arts	\$	200,000	\$	400,000	JHY	DIA no. 56.85.1	Thomas Germain	Candelabrum	1732/1734	Silver	Sight: 17.0 x 8.0 x 9.0 in. (43.18 x 20.3 x 22.8 cm)	Sotheby's NY, April 8, 2014, lot 229, \$197,000; Christie's NY, October 21, 2003, lot 335, \$298,700; Sotheby's Paris, April 18, 2012, lot 71, \$67,125.
Sculpture	European Sculpture and Dec Arts	\$	600,000	\$	800,000		DIA no. 59.123	Hubert Gerhard	Hebe	c. 1590	bronze	Overall (without base or marble socle): 24 7/16 _ 12 3/8 _ 8 1/16 inches (62.1 _ 31.4 _ 20.5 cm); Overall (including base): 30 inches _ 12 3/8 inches	
Ceramic	European Sculpture and Dec Arts	\$	200,000	\$	400,000	JHY	DIA no. 59.124.A	Fontana Workshop	Footed Bowl; Title: Footed Bowl; Alternate Title: Broth Bowl; Alternate Title: Scodella	c. 1560/1570	Tin-glazed earthenware with enamel decoration	8 1/16 inches (76.2 Cup : 4 x 5 1/2 in. diameter (10.2 x 14.0 cm); Cup and Cover : 4 1/2 x 6 7/8 in. diam. (11.4 x 17.5 cm); Overall: 5 x 8 3/8 in. diam.	Christie's London, June 4, 2013, lot 4, \$296,435; Christie's London, July 5, 2012, lot 92, \$151,710; Christie's London, July 5, 2012, lot 76, \$713,310)
Silver	European Sculpture and Dec Arts	\$	600,000	\$	800,000	JHY	DIA no. 59.18	Thomas Germain	Tureen with Lid, Liner, and Stand	1733 or 1734	silver with cast, chased, and applied decoration	Overall: 10 _ 21 1/2 _ 16 1/4 inches (25.4 _ 54.6 _ 41.3 cm)	Same comparables as DIA 55.183.A. This is more complete and has more elements. Sotheby's Paris, April 18, 2012, lot 89, \$709,645; Christie's London, July 5, 2000, lot 10, \$471,054;
Ceramic	European Sculpture and Dec Arts	\$	1,500,000	\$	3,500,000	JHY	DIA no. 59.295	Johann Gottlieb Kirchner	Joseph Froehlich, Court Jester of Augustus the Strong	1729 or 1730	glazed hard paste porcelain	Overall: 20 _ 15 1/2 _ 12 inches (50.8 _ 39.4 _ 30.5 cm)	This is unique within the corpus of Meissen, so direct comparisons are difficult. Christie's London, Dec. 18, 2006, lot 51, \$5,495,256; Christie's London, June 13-14, lot 351, \$1,224,189; Sotheby's London, May 1, 2013, lot 78, 818,500.
Ceramic	European Sculpture and Dec Arts	\$	2,500,000	\$	5,000,000	JHY	DIA no. 59.296	Johann Joachim Kaendler	Postmaster Baron Schmiedel	1739	glazed hard paste porcelain	Overall: 18 _ 14 1/2 _ 10 inches (45.7 _ 36.8 _ 25.4 cm)	As with DIA 59.295, this also is unique within the corpus of Meissen, so direct comparisons are difficult. Christie's London, Dec. 18, 2006, lot 51, \$5,495,256; Christie's London, June 13-14, lot 351, \$1,224,189; Sotheby's London, May 1, 2013, lot 78, 818,500.
Sculpture	European Sculpture and Dec Arts	\$	400,000	\$	600,000		DIA no. 61.164	Master of the Arenberg	The Lamentation; Alternate Title: The Arenberg Lamentation	between 1470 and 1480	oak with traces of polychromy	Overall (image): 34 3/4 _ 54 3/4 _ 9 3/4 inches (88.3 _ 139.1 _ 24.8 cm); Overall (pedestal (to 32 3/4 x 19 1/2 x 7 in. (83.2 x 49.5 x 17.8 cm)	
Ceramic	European Sculpture and Dec Arts	\$	800,000	\$	1,500,000	JHY	DIA no. 66.17	Meissen Porcelain Manufactory	Crane; Alternate Title: Kranige, Kraniche mit dem Steine; Alternate Title: Grus grus	1735	Hard-paste porcelain	Christie's Paris, June 22, 2005, lot 119, \$6,847,465; Christie's London, June 13-14, 2002, lot 350, \$1,548,029; Sotheby's London, May 1, 2013, lot 195, 554,500.	
Furniture	European Sculpture and Dec Arts	\$	1,500,000	\$	2,500,000	JHY	DIA no. 71.196	Martin Carlin	Jewel Coffer	c. 1774	oak carcass, veneered with tulipwood, holly, ebony,	Overall: 37 3/8 _ 20 5/8 _ 13 5/8 in. (94.9 _ 52.4 _ 34.6 cm)	Christie's New York, Nov. 2, 2000, lot 200, \$1,546,000; Christie's London, June 13, 2002, lot 310, \$2,158,406; Christie's London, July 6, lot 60, \$2,971,830
Furniture	European Sculpture and Dec Arts	\$	500,000	\$	800,000	JHY	DIA no. 73.167	Pietro Piffetti	Secretary; Alternate Title: Secretary Bookcase	c. 1770	kingwood, ivory, and ebony on wood carcass, mirrors	Overall (by sight): 88 in. _ 33 3/4 in. _ 18 in. (223.5 _ 85.7 _ 45.7 cm)	This example is larger than the comps: Sotheby's London, Dec. 8, 2004, lot 19, \$437,818; Christie's London, Dec. 14, 2000, lot 325, \$404,188; Christie's London, June 13, 2002, lot 472, \$300,836.

Sculpture	European Sculpture and Dec Arts	\$	100,000	\$	200,000		DIA no. 73.254	Antonio Montauti	The Return of the Prodigal Son	1724 bronze	Overall: 24 7/8 in. _ 19 1/2 in. _ 14 in. (63.2 _ 49.5 _ 35.6 cm)
Sculpture	European Sculpture and Dec Arts	\$	150,000	\$	250,000	JHY	DIA no. 79.21	Pierre Puget	Le ravisement d'Helene; Alternate Title: The Abduction of Helen of Troy; translated: The Abduction of Helen	1683-1686 bronze	Overall: 38 1/4 inches _ 19 inches _ 16 15/16 inches (97.2 _ 48.3 _ 43 cm); Mount (pedestal): 38 1/8 _ 19 13/16 _ 19 13/16 inches (96.8 _ 50.3 _ 50.3 cm)
Sculpture	European Sculpture and Dec Arts	\$	1,000,000	\$	1,500,000		DIA no. 81.695	Giovanni Battista Foggini	Cupid and Psyche; Alternate Title: Amore e Psiche	c. 1710/1720 Bronze with brown patina and red-gold lacquer	Summary not provided
Sculpture	European Sculpture and Dec Arts	\$	800,000	\$	1,000,000		DIA no. 82.27	Giovanni Francesco Susini	Bacchus and a Young Satyr	c. 1640 Bronze	Summary not provided
Sculpture	European Sculpture and Dec Arts	\$	150,000	\$	300,000	JHY	DIA no. F76.92	Donatello	The Nativity (Ford Nativity)	c. 1420/1430 Terracotta with traces of polychromy (vermillion, malachite, azurite, lead and white) and Silver	As this is "Workshop" of Donatello, it is compared to the Workshop of Rosselino: Sotheby's London, July 7, 2006, lot 30; \$175,545. As opposed to an fully attributed Donatello at Sotheby's NY, Jan 26, 2006, lot 74, \$4,440,000
Silver	European Sculpture and Dec Arts						DIA no. 56.85.2	Thomas Germain	Candelabrum	1732/1734	Sight: 17.0 x 8.0 x 9.0 in. (43.18 x 20.3 x 22.8 cm)

\$ - \$ - JHY

Artvest Total	
European	
Decorative Art & Sculpture	
\$ 44,650,000	\$ 69,000,000

Part of a set with 56.85.1, value information included there.

Rug Islamic Art Sculpture \$ 80,000 \$ 150,000 JHY

DIA no. 48.137	Islamic	Summer Floor Covering (nihale)	1650/1700	Cut and voided velvet; silk with metal threads (silver wrapped silk core); compound satin and velvet. Registrar's Card: Polychrome	193 x 105 1/2 in.; 490.2 x 268.0 cm	Sotheby's London, April 5, 2006, lot 51, GBP 66,000; Sotheby's Doha, March 19, 2009, Lot 315, \$206,500; Sotheby's London, April 24, 2012, lot 125, GBP 325,250. Although this textile is large,(193 x 105 1/2 inches) it is not as visually compelling as the latter two comparables.
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Artvest Total	\$ 80,000	\$ 150,000
Islamic Art		

Drawing	Prints, Drawings & Photographs	\$	1,000,000	\$	1,500,000	Sabine Wilson	DIA no. 1991.1015	Paul	Klee	Translucencies, Orange-Blue; Alternate Title: Durchleuchtungen, Orange-Blau	1915	Watercolor on off-white wove paper fully attached to a heavy paperboard support	Sheet: 7 3/8 x 9 1/8 in. (18.7 x 23.2 cm); Framed: 16 1/2 x 20 7/16 x 1 3/8 in. (41.9 x 51.9 x 3.5 cm)	Summary not provided
Drawing	Prints, Drawings & Photographs	\$	1,500,000	\$	2,000,000	Sabine Wilson	DIA no. 65.139	Paul	Cézanne	Skull and Book; Alternate Title: Vanitas; Alternate Title: Un crane	c. 1885	Watercolor over black chalk on laid paper	Sheet: 9 1/4 x 12 3/16 in. (23.5 x 31 cm.); Framed: 18 3/8 in x 24 3/8 in x 1 5/16 in.	Summary not provided
Drawing	Prints, Drawings & Photographs	\$	40,000	\$	60,000	Sabine Wilson	DIA no. 65.140	Paul	Cézanne	Slave		Graphite pencil on dark cream laid paper	Sheet: 17 3/4 x 11 1/2 in. (45.1 x 29.2 cm); Framed: 27 1/2 x 21 x 1 1/2 in. (69.9 x 53.3 x 3.8 cm)	Summary not provided
Drawing	Prints, Drawings & Photographs	\$	200,000	\$	300,000	Sabine Wilson	DIA no. 65.162	Henri	Matisse	Plumed Hat		1919 Graphite pencil on wove paper	Sheet: 20 7/8 x 14 3/8 in. (53 x 36.5 cm); Framed: 34 1/4 x 28 3/8 x 2 3/8 in. (87 x 72.1 x 6 cm)	Summary not provided
Drawing	Prints, Drawings & Photographs	\$	200,000	\$	300,000	Betty Krulik	DIA no. 70.253	Charles	Demuth	Still Life with Apples and Bananas		1925 Watercolor and graphite pencil on wove paper	Sheet: 11 7/8 x 18 in. (30.2 x 45.7 cm); Framed: 23 x 29 1/4 x 1 3/8 in. (58.4 x 74.3 x 3.5 cm)	comparable of Squash sold in 2009 for \$218K but this one more colorful and full, therefore a wider up side.
Drawing	Prints, Drawings & Photographs	\$	2,000,000	\$	4,000,000	Sabine Wilson	DIA no. 72.441	Edgar	Degas	Dancers in Repose	c. 1898	Pastel and charcoal on thin wove paper fully attached to a thin supporting sheet	Sight: 22 1/2 x 16 7/8 in in. (57.1 x 42.8 cm); Mount: 26 1/2 x 20 3/4 in. (66.7 x 52.8 cm); Framed: 34 x 27 3/4 x 2 in. (86.4 x 70.5 x 5.1 cm)	Summary not provided

Artvest Total Prints, Drawings & Photographs	\$	4,940,000	\$	8,160,000
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Artvest Total High Value Works, All Categories	\$	1,569,355,000	\$	2,290,085,000
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Exhibit B

Michael Plummer
IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF MICHIGAN

In Re:) Chapter 9

CITY of DETROIT, MICHIGAN,) Case No. 13-53846

Debtor.) Hon. Steven Rhodes

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Videotaped Deposition of MICHAEL PLUMMER
Taken at: Weil, Gotshal & Manges, LLP
767 Fifth Avenue
New York, New York
Commencing at 9:03 a.m.
Friday August 1, 2014
Before Roberta Caiola

1 Michael Plummer
2 A P P E A R A N C E S:
3
4 ARTHUR H. RUEGGER, ESQ.
5 Dentons US, LLP
6 1301 K Street, N.W.
7 Suite 600, East Tower
8 Washington, D.C. 20005
9 Appearing on behalf of the
10 Retiree Committee
11
12 MICHAEL J. PATTWELL, ESQ.
13 Clark Hill, PLC
14 212 East Grand River
15 Lansing, Michigan 48906
16 Appearing on behalf of the Retirement
17 Systems for the City of Detroit
18 (Present Telephonically)
19
20 HIRAM ARNAUD, ESQ.
21 Chadbourne & Parke, LLP
22 30 Rockefeller Plaza
23 New York, New York 10112
24 Appearing on behalf of Assured
25 Guaranty Municipal Corporation
(Present Telephonically)

ALSO PRESENT:
JOSE RIVERA - Video Technician

1 Michael Plummer
2 A P P E A R A N C E S:
3
4 EDWARD SOTO, ESQ.
5 DEBORA A. HOEHNE, ESQ. (New York Office)
6 Weil, Gotshal & Manges, LLP
7 1395 Brickell Avenue, Suite 1200
8 Miami, Florida 33131
9 Appearing on behalf of Financial
10 Guaranty Insurance Company
11
12 GEOFFREY S. IRWIN, ESQ.
13 Jones Day
14 51 Louisiana Avenue, N.W.
15 Washington, D.C. 20001
16 Appearing on behalf of the Debtor
17 - and -
18 LAUREN BUONOME, ESQ.
19 Jones Day
20 222 East 41st Street
21 New York, New York 10017-6702
22 (Present Telephonically)
23 - and -
24 RICHARD LEVIN, ESQ.
25 Cravath, Swaine & Moore LLP
Worldwide Plaza
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New York, New York 10019-7475
Appearing on behalf of the
DIA Corp.

ARTHUR T. O'REILLY, ESQ.
Honigman Miller Schwartz and Cohn LLP
2290 First National Building
660 Woodward Avenue
Detroit, Michigan 48226-3506
Appearing on behalf of the
Detroit Institute of Arts

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13
14 (Original exhibits retained by the Court Reporter to accompany the transcript)
15
16 (*r) DOCUMENTS REQUESTED:
17 Page: 81 Line: 18
18 Page: 164 Line: 7
19 Page: 169 Line: 5
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<p style="text-align: right;">Page 5</p> <p>1 Michael Plummer 2 THE VIDEOGRAPHER: This is media 3 unit number 1 in the video deposition of Michael 4 Plummer, in the matter of In Re: City of 5 Detroit Michigan, Debtor, in the United States 6 Bankruptcy Court for the Eastern District of 7 Michigan, Case Number 13-53846. 8 This deposition is being held at 9 Weil, Gotshal & Manges LLP, 767 Fifth Avenue, 10 New York, New York on August 1, 2014 at 11 approximately 9:03 a.m. 12 My name is Jose Rivera from the 13 firm of Elisa Dreier Reporting Corp., and I am 14 the legal video specialist. The court reporter 15 is Roberta Caiola, in association with Elisa 16 Dreier Reporting Corp., located at 950 Third 17 Avenue, New York, New York. For the record, 18 will counsel please introduce themselves. 19 MR. IRWIN: Geoff Irwin, with Jones 20 Day, on behalf of the City of Detroit and the 21 witness. 22 MR. O'REILLY: Arthur O'Reilly, on 23 behalf of the Detroit Institute of Arts. 24 MR. RUEGGER: Arthur Ruegger, from 25 Dentons, on behalf of the Retirees Committee.</p>	<p style="text-align: right;">Page 7</p> <p>1 Michael Plummer 2 EXAMINATION BY MR. SOTO: 3 Q. Mr. Plummer, my name is Ed Soto. 4 Could you please state your full name for the 5 record? 6 A. Michael John Plummer. 7 Q. Now I'm going to hand you what has 8 been marked as Exhibit 1. 9 (Plummer Exhibit 1, Notice of 10 Deposition, marked for identification.) 11 Q. Which is a copy of the Notice of 12 Deposition that you were served with in this 13 matter. Have you seen this before? 14 A. Yes, I have. 15 Q. Actually, I'm only giving it to you 16 because these exhibits were pre-marked, and if I 17 don't give it to you then one is out of sequence 18 and we have to re-mark them all. You might want 19 to take a quick look at it and make sure it's 20 the same notice that you received? 21 A. It looks to be the one. 22 Q. Mr. Plummer, have you ever been 23 deposed before? 24 A. No, I have not. 25 Q. Typically the way it works is I</p>
<p style="text-align: right;">Page 6</p> <p>1 Michael Plummer 2 MR. SOTO: I'm Ed Soto and this is 3 Debora Hoehne, we're here from Weil Gotshal & 4 Manges on behalf of FGIC. 5 THE VIDEOGRAPHER: On the phone? 6 MR. SOTO: Does anyone on the phone 7 want to make an appearance? 8 MR. PATTWELL: Michael Pattwell, 9 Clark Hill, on behalf of the Detroit Retirement 10 Systems. 11 MS. BUONOME: Lauren Buonome, of 12 Jones Day, on behalf of the City. 13 MR. ARNAUD: Hiram Arnaud, from 14 Chadbourne & Parke, on behalf of Assured 15 Guaranty Municipal Corporation. 16 THE VIDEOGRAPHER: Will the court 17 reporter please swear in the witness. 18 THE COURT REPORTER: Raise your 19 right hand please. Do you swear the testimony 20 that you are about to give will be the truth, 21 the whole truth, and nothing but the truth? 22 THE WITNESS: Yes, I do. 23 MICHAEL PLUMMER, having been duly sworn by the 24 Notary Public, Roberta Caiola, was examined and 25 testified as follows:</p>	<p style="text-align: right;">Page 8</p> <p>1 Michael Plummer 2 will ask you a question, the court reporter will 3 take it down, transcribe it in a magical way, 4 and then we'll wait for your answer, and she'll 5 also transcribe your answer. It has to be done 6 verbally and linear so that if I am talking I 7 have to stop, then you get a chance to talk, 8 then when you stop I get a chance to talk. 9 If I cut you off let me know, tell 10 me. I try to overcome that habit and I've done 11 a good job of it, but sometimes not, she can't 12 take two people down at the same time. 13 A. I understand. 14 Q. The other thing is I tend to be a 15 nodder, sort of a grunter and a nodder and a huh 16 guy, that's the way I naturally talk, but in 17 transcription you have to speak verbally, you 18 have to say yes, no, otherwise they won't take 19 the nod. 20 Sometimes good reporters will 21 actually say he nodded yes, at which point I 22 will say that looked like a no to me and that 23 creates the controversy, we don't want that, we 24 want a straight clean record. 25 If at any time I ask you a question</p>

2 (Pages 5 to 8)

<p style="text-align: right;">Page 9</p> <p>1 Michael Plummer 2 that you don't understand tell me. I am not an 3 expert in this area, you will soon see that, and 4 you are, or certainly purport to be. So there 5 may be some things that I am saying that you're 6 not understanding, say so, I will try to 7 rephrase it, we'll try to work at it. My goal 8 here today is to get a deeper understanding of 9 your expert report and your expert 10 qualifications and then move on from there. 11 If at any time you feel you want a 12 break you have a right to do that, just say so 13 and we'll be able to take a break, it's not a 14 marathon hopefully. It may be a marathon but it 15 certainly doesn't require no breaks. If you at 16 any time want to talk to your counsel you have a 17 right to do that as well. 18 Generally, I will ask you to finish 19 the question that's pending, but not always, so 20 just tell me if you have the urge to do that. 21 Finally, if there is anything that you find an 22 hour into the deposition well, you know, I 23 forgot a guy's name that I should have told you 24 before, feel free to say I thought about the 25 question you asked me an hour ago.</p>	<p style="text-align: right;">Page 11</p> <p>1 Michael Plummer 2 be Detroit. 3 When I refer to the DIA or the 4 museum, I'll be referring to the Detroit 5 Institute of Art Museum that's owned by the City 6 of Detroit. When I refer to the DIA Corp., 7 which I'm not sure I will, but if I do it's the 8 nonprofit DIA Corp. that runs the Detroit 9 Institute of Art. 10 Sometimes I'll refer to the art or 11 the art collection, and I know in your world 12 there are many arts and art collections, today 13 I'll be referring to the art and the art 14 collection that's stored at the DIA museum. 15 Do those make sense to you? 16 A. Yes. 17 Q. Let me get started with some 18 background on you. Where did you go to school, 19 college? 20 A. The Wharton School at the 21 University of Pennsylvania. 22 Q. That was for what degree? 23 A. A B.S. in economics. 24 Q. Did you have any other majors, 25 other than economics?</p>
<p style="text-align: right;">Page 10</p> <p>1 Michael Plummer 2 I will assume that you're answering 3 the questions based on your personal knowledge, 4 unless you tell me so. If you do tell me it's 5 not my personal knowledge I may choose to go on 6 on that basis; otherwise we'll be assuming that 7 you're answering questions based on your 8 personal knowledge. 9 Is there any reason that you can 10 think of that you wouldn't be able to give a 11 full and complete and truthful deposition here 12 today? 13 A. No. 14 Q. So throughout the deposition I'll 15 use certain terms, and I want to make sure that 16 we have sort of the same understanding of those 17 terms because some of them are fairly general, 18 and you wouldn't have that same understanding 19 unless you were embedded in this litigation like 20 some of us. 21 When I refer to the "City" I'm 22 probably going to be referring to the City of 23 Detroit. If I'm not I'll let you know I'm 24 referring to another city. In the questioning 25 when I talk about the City or the Debtor it will</p>	<p style="text-align: right;">Page 12</p> <p>1 Michael Plummer 2 A. I had a minor in English literature 3 concentration. 4 Q. When did you get your degree from 5 Wharton? 6 A. 1980. 7 Q. Did you receive any postgraduate 8 education? 9 A. No, I did not. 10 Q. Do you have any formal art 11 training? 12 A. I studied art at Penn, but I do not 13 have no other formal training. 14 Q. Do you have any formal art 15 appraisal training? 16 A. No, I do not. 17 Q. Are you a licensed or certified 18 appraiser? 19 A. I am not. 20 Q. Are there such things, licensed and 21 certified appraisers? 22 A. There are; not licensed but 23 certified. 24 Q. Do you have any other professional 25 licenses or certifications?</p>

1 Michael Plummer

2 A. I actually have a real estate
3 salesperson's license.

4 Q. Are you a member of any
5 professional organization?

6 A. I am a founder of the Art
7 Investment Council.

8 Q. What is the Art Investment Council?

9 A. The Art Investment Council is a
10 not-for-profit group that promotes best
11 practices in the art investment industry in art
12 investment.

13 Q. When did you start?

14 A. In 2010 I believe, some time in
15 that time frame.

16 Q. Why did you start it?

17 A. My business partner and I started
18 it because we felt that there was a need for
19 this because there was a lot of misinformation
20 about art investment, and we started it to
21 create a place to exchange knowledge and raise
22 the standard of practices and discussion about
23 art investment.

24 Q. How many members does the art
25 investment council have?

1 Michael Plummer

2 A. I don't remember exactly. It may
3 be about 20 something.

4 Q. Are these scattered around the
5 country?

6 A. No, it's focused here in New York
7 City.

8 Q. How often does the Art Investment
9 Council meet?

10 A. We have not had meetings for about
11 a year because my partner and I have had other
12 obligations.

13 Q. When you refer to your partner who
14 are you referring to?

15 A. His name is Jeff Rabin who
16 co-founded Artvest Partners with me.

17 Q. Have you through the Art Investment
18 Council promulgated any standards for art
19 investment?

20 A. Promulgated standards, no; but we
21 have discussed issues like transparency and art
22 investment fund practices and other things.

23 Q. Have you published anything through
24 the Art Investment Council?

25 A. I don't believe so.

1 Michael Plummer

2 Q. Do you have a site online or
3 anything like that?

4 A. We do have a website.

5 Q. What's that website?

6 A. I think it is the
7 ArtInvestmentCouncil.com.

8 Q. Do you believe that any of your
9 work with the Art Investment Council is relevant
10 in connection with your proposed testimony in
11 this action, the Detroit bankruptcy proceedings
12 that we're here on for this deposition?

13 A. I think the experience that led to
14 my founding the Council is relevant.

15 Q. In what way?

16 A. In my knowledge of art investment
17 and my understanding of the art world and my
18 understanding of practices around that.

19 Q. I think we'll get to that during
20 this deposition, if we don't we can come back to
21 it.

22 A. Okay.

23 Q. What about your employment history.
24 After college, where did you first work?

25 A. I started at Sotheby's in the

1 Michael Plummer

2 treasury department.

3 Q. What does the treasury department
4 at Sotheby's do?

5 A. The treasury department extended
6 credit and approved buyers. My job was an
7 account manager and I managed relationships with
8 dealers, meaning members of the trade and
9 clearing them for trade credit, collecting money
10 from them.

11 Q. How long --

12 A. Sorry, also managing an art loan.

13 Q. That's interesting. How does one
14 manage an art loan?

15 A. You make interest calculations, you
16 manage the inventory, you make sure that
17 insurance payments are made by the dealers, you
18 manage sales of property to pay down principal,
19 you do inventories of the collection that are
20 held in-house.

21 Q. How does it work, does a person get
22 a loan based on the art as collateral, is that
23 essentially it?

24 A. Yes, correct.

25 Q. Who holds the collateral?

1 Michael Plummer
 2 A. Generally speaking, in this case it
 3 is the auction house or the lender.
 4 Q. So how long were you employed in
 5 Sotheby's treasury department?
 6 A. I think probably about 3-1/2 years.
 7 Q. What department did you move on to
 8 after that?
 9 A. I moved on to become being the
 10 business manager for the Asian Art division.
 11 Q. What were your duties as the
 12 business manager of the Asian Art division?
 13 A. Basically, there were many duties,
 14 but the most important one was doing financial
 15 forecasts for the company, for that area of the
 16 company. So I would work with the specialists
 17 and get their estimates for upcoming sales, and
 18 then work with them to set the values of those
 19 sales on which the business would make its
 20 decisions for operating expenditures and
 21 financial forecasts. It was not dissimilar to
 22 working with a group of experts on an appraisal.
 23 Q. In connection with your work as the
 24 business manager did you perform appraisals?
 25 A. No, I did not.

1 Michael Plummer
 2 Q. Did you work with people who
 3 performed appraisals?
 4 A. I did.
 5 Q. Did you manage them?
 6 A. I did manage them, yes.
 7 Q. Was that your first experience
 8 working with art appraisers?
 9 A. Well, as an account manager in the
 10 treasury department I also had a close
 11 relationship with the experts. So I did work
 12 with them in that capacity as well.
 13 So, for instance, with that art
 14 loan that was reliant on appraisal of that art,
 15 and those appraisals had to be updated and I had
 16 to get those appraisals from the experts.
 17 Q. The experts are the appraisers?
 18 A. Yes.
 19 Q. You call them the experts. Is that
 20 what they're called in the industry?
 21 A. Well, they used to be called that
 22 and I still hold on to that old terminology;
 23 they now call them specialists.
 24 Q. That's interesting, the experts.
 25 Nobody calls me that. Let's see, where were we.

1 Michael Plummer
 2 So you were the business manager
 3 overseeing the Asian Art for how long?
 4 A. I believe it was around three
 5 years.
 6 Q. After your term as the business
 7 manager of Asian Art what was your next job at I
 8 guess Sotheby's?
 9 A. I moved over to the real estate
 10 division and worked closely with the CEO and CFO
 11 of Sotheby's to restructure the real estate
 12 company.
 13 Q. What was the year you moved over to
 14 the real estate division?
 15 A. I haven't looked at my resume for a
 16 while, but I think it was maybe '88, somewhere
 17 around there.
 18 Q. So working backwards, it would have
 19 been about '85 that you began at Asian Art?
 20 A. Yeah. Asian Art was not just Asian
 21 Art, it was also books and manuscripts and other
 22 departments, but it was called the Asian Art
 23 division; it was a catchall for various
 24 categories.
 25 Q. Those categories included what

1 Michael Plummer
 2 forms of art?
 3 A. They included Asian Art, Ancient
 4 Art, African Art, what was then called Arcade,
 5 books and manuscripts, prints, photographs; so
 6 it was a rather large part of the company.
 7 Q. What does Arcade include?
 8 A. Arcade was the low end sales area
 9 of the business.
 10 Q. What does that mean, the low end
 11 sales area?
 12 A. It was, you know, estate property
 13 that was a catchall. It was stuff that was not
 14 put in dedicated specialist sales.
 15 Q. So then it would have been about
 16 '82 when you were starting at the treasury
 17 department?
 18 A. No, it was 1980.
 19 Q. So it was '80?
 20 A. The fall of 1980.
 21 Q. If that was '80, then it would have
 22 been about '83 that you started in the Asian Art
 23 division?
 24 A. Maybe towards the end of '83.
 25 Q. Okay. Then you were there three

1 Michael Plummer
 2 years so it could have been '87, '88 that you
 3 started at Sotheby's?
 4 A. Yeah, that sounds about right.
 5 Q. What did you do in '87, '88 for the
 6 real estate division?
 7 A. It was actually up through '91. I
 8 worked, as I said closely, with the CFO and the
 9 CEO of Sotheby's to restructure the real estate
 10 company in preparation for Sotheby's going
 11 public. It was critical that it be turned into
 12 a profit-making company after many years of not
 13 being successful.
 14 So we were a small team that turned
 15 it around and made it into a profitable venture,
 16 and created the business model under which it
 17 still operates today.
 18 Q. What is that business model?
 19 A. Well, I don't want to get into
 20 revealing too much proprietary information, but
 21 it was a restructuring of its licensing model
 22 and its local brokerage operations and how they
 23 function.
 24 Q. When you were with the real estate
 25 division of Sotheby's from 1987 or '88 through

1 Michael Plummer
 2 1991, did you work with art appraisers?
 3 A. During that period, no.
 4 Q. Did you do any art appraisal
 5 yourself during that period?
 6 A. No.
 7 Q. So after 1991 and your work with
 8 the real estate division of Sotheby's, what did
 9 you do next?
 10 A. I then was recruited back to the
 11 auction company to help them get control of
 12 their expenses in marketing in light of the
 13 recession that we were in, and I was ultimately
 14 put in charge of marketing.
 15 Q. Did you call it the auction
 16 division?
 17 A. Well, it was the auction company,
 18 the auction subsidiary.
 19 Q. What was the role of the auction
 20 subsidiary?
 21 A. To sell art. I was managing the
 22 marketing department, initially certain aspects
 23 of it and ultimately the entire department which
 24 promoted the sales, the auction sales.
 25 Q. What were your duties when you went

1 Michael Plummer
 2 back to the auction subsidiary in connection
 3 with the marketing; what marketing functions did
 4 you do?
 5 A. Managing sales, I'm sorry, managing
 6 advertising, managing the production of
 7 catalogs, managing the subscriptions, managing
 8 promotion, managing marketing relationships with
 9 all of the specialists and their plans for their
 10 various auctions.
 11 Q. In connection with tasks that you
 12 just described, the advertising, the catalogs,
 13 the subscriptions, the promotion and the
 14 marketing relationships with specialists; which
 15 of those tasks would you say put you in closest
 16 contact with appraisal of artwork?
 17 A. I did not -- that was -- appraising
 18 was not part of my career at that point.
 19 Q. When you went back to the auction
 20 company in '91, how long did you stay in the
 21 management of the marketing of that department?
 22 A. Until the end 'of 95.
 23 Q. So from '91 to '95 you managed the
 24 marketing department of the auction subsidiary?
 25 A. As I said, initially in '91 I

1 Michael Plummer
 2 managed certain departments in marketing. By
 3 '93 or so I was in charge of the division.
 4 Q. During that entire period of time,
 5 those four years, you were not involved in any
 6 art appraising, is that correct?
 7 A. No, I was not.
 8 Q. You didn't oversee any art
 9 appraisers at that time?
 10 A. No, I did not.
 11 Q. During that period -- well, let's
 12 keep going. What did you do next?
 13 A. Well, I mean what I did do was
 14 oversee budgets related to the marketing and the
 15 sales, and worked with the business managers of
 16 which I was one, which was a critical part of
 17 the cost control. It was very critical to that,
 18 that I was on top of what the sales were and the
 19 sales forecasting, because the marketing
 20 expenses were closely related to the anticipated
 21 sales results, which goes back to the forecasts
 22 done with the experts. So I was working closely
 23 with the experts and their valuations.
 24 Q. Their overarching evaluations?
 25 A. They are both overarching and also

1 Michael Plummer
2 on an individual basis, because individual works
3 of art can have a significant impact on the
4 sale.

5 You get one or two objects or a
6 certain collection and then you have to do
7 marketing around those collections based on the
8 values that are put on them.

9 Q. Did you ever get involved in
10 directing a specialist, and again I'll use the
11 same terms you're using; but for the purposes of
12 this record whenever we use specialist or
13 sometimes experts we'll be referring to
14 appraisers, correct?

15 That works for me if that works for
16 you.

17 A. I don't know. Even at an auction
18 house I wouldn't refer to a specialist as an
19 appraiser. They do appraisal work, but their
20 primary job is as a specialist filling sales.
21 So I'm not sure if that does work.

22 Q. Okay. Then maybe you can explain
23 it to me. Are there below the specialists who
24 or working with the specialists, and I don't
25 know why I said below, it could be sideways,

1 Michael Plummer
2 upwards, I don't care.

3 Are there people who work with
4 specialists whose main job is the appraisal of
5 art?

6 A. Both Sotheby's and Christie's have
7 appraisal departments that manage the
8 appraisals, and they often have generalists in
9 those departments that do preliminary appraisal
10 work, and then they take that work to the
11 specialists in the various departments and get
12 them to opine and final size valuations.

13 Q. So, if I'm misunderstanding you let
14 me know. So there would be a specialist in a
15 given genre of art, correct?

16 A. Yes.

17 Q. That specialist could go to someone
18 at Sotheby's, since we're working through your
19 period at Sotheby's so let's use that as an
20 example, someone at the Sotheby's appraisal
21 group?

22 A. Right.

23 Q. And say we're looking at a certain
24 piece of art in this genre, do you have a person
25 whose area of specialty in this genre to

1 Michael Plummer
2 appraise this art, is that how it would work?

3 A. Take for example an antiquity
4 collection, there would be a generalist who
5 would have done some preliminary work in the
6 appraisals department, and then they would go to
7 the specialist in antiquities and then walk
8 those numbers, those items, item by item or
9 leave it on their desk and pick it up later,
10 depending on the situation and the relationship
11 with that specialist.

12 Q. Would the generalist in your mind
13 be considered an appraiser?

14 A. Yes, sometimes; sometimes not.

15 Q. When would he be considered an
16 appraiser?

17 A. Well, if he had done other
18 appraisals and had been hired for that purpose.
19 There might also be a junior person who might be
20 in training.

21 Q. So if you went to the appraisal
22 department at Sotheby's and talked to a
23 generalist, would you consider that person an
24 appraiser?

25 A. Possibly.

1 Michael Plummer
2 Q. Again, what would the possibilities
3 be?

4 Sometimes they wouldn't be an
5 appraiser?

6 A. Depending on who you're talking to
7 in the department it could be -- you have a
8 department that has different staffs so there
9 could be an administrator there, there could be
10 a secretary.

11 Q. The specialists that you referred
12 to in your description, your example, so the
13 generalist may or may not be an appraiser and
14 then he goes and he talks to a specialist. Is
15 that specialist an appraiser?

16 A. Again, I think that I would refer
17 to them as a specialist, not an appraiser,
18 because their primary job is not doing
19 appraisals, it's filling a sale, but they do do
20 appraisal work.

21 Q. The reason why you go to that
22 specialist is because they have specialized
23 knowledge about the value of that art?

24 A. Correct.

25 Q. The specialized knowledge of the

1 Michael Plummer
2 value of that art would be used in forming the
3 appraisal, correct?
4 A. Correct.
5 Q. So you were in marketing and had
6 the relationships that you just described in
7 your marketing period of '91 to '95. What
8 happened next?
9 A. I left Sotheby's to run the U.S. --
10 the sales area of the U.S. division of
11 Acoustiguide, which was at the time the leading
12 audio tour provider to museums like the
13 Metropolitan Museum of Art, MoMA, the Boston
14 Museum of Fine Arts.
15 All were clients of mine and I
16 developed relationships with all of those
17 museums and worked with them on their
18 exhibitions, their temporary exhibitions and
19 their tours for their permanent collections.
20 Q. That was called Acoustiguide?
21 A. Acoustiguide, yeah.
22 Q. Can you spell that for the record?
23 A. A-c-o-u-s-t-i-g-u-i-d-e.
24 Q. So you worked with Acoustiguide for
25 how long, from '95 to '96?

1 Michael Plummer
2 A. For one year.
3 Q. During that year with Acoustiguide
4 did you do any art appraisal?
5 A. No.
6 Q. Did you work with any art
7 appraisers?
8 A. No.
9 Q. You mentioned that you had gotten
10 to know people at various museums.
11 Did you get to know anybody at the
12 Detroit Institute of Art?
13 A. No, they were not a client.
14 Q. So after '96 what did you do?
15 A. I went to work with a group called
16 Carbone Smolan Agency that we did the -- they
17 had worked with -- I had hired them to do the
18 re-branding of Sotheby's, when I was running
19 marketing at Sotheby's, and I worked with them
20 on a number of branding projects for financial
21 firms, as well as re-branded Christie's.
22 Q. Can you spell the name of that
23 company for the record he were?
24 A. Carbone, C-a-r-b-o-n-e; Smolan,
25 S-o-m, sorry, S-m-o-l-a-n Agency.

1 Michael Plummer
2 Q. How would you describe the work
3 that they do, are they just re-branding
4 specialists?
5 A. Re-branding marketing and design
6 communications.
7 Q. How long were you with them?
8 A. Approximately three years.
9 Q. So until about '99?
10 A. Yeah, that sounds right.
11 Q. During that period from '96 to '99,
12 or those three years, did you work on any art
13 appraisal projects?
14 A. I did not, but I did work closely
15 with Christie's and Christie's senior
16 management.
17 Q. What was your work with Christie's?
18 A. I was working with them to help
19 them determine what identity they wanted for the
20 company and how they were re-envisioning the
21 company for the future. So I worked closely
22 with the CEO and president, and even at one
23 point the new owner, Mr. Pinault.
24 Q. Can you spell his name for the
25 record?

1 Michael Plummer
2 A. Pinault, P-i-n-a-u-l-t.
3 Q. You mentioned the CEO and the
4 president. Who was the CEO?
5 A. Christopher Davidge.
6 Q. Who was the president?
7 A. Patty Hambrecht.
8 Q. Your work with them, did it involve
9 any art appraisals?
10 A. No, it did not.
11 Q. So we're now up to '99?
12 A. Um-hum.
13 Q. Where did you go after that?
14 A. I became -- I was self-employed. I
15 founded a company to create an online trading
16 platform.
17 Q. What was the name of that company?
18 A. It was called -- ultimately it was
19 called Art Base, Inc.
20 Q. How long did you do that?
21 A. For about three years.
22 Q. So until about 2002?
23 A. 2003.
24 Q. 2003. During your period of time
25 with Art Base, Inc. were you involved in any art

1 Michael Plummer
 2 appraisal projects?
 3 A. Well, I did do due diligence on an
 4 appraisal company to buy it. It was actually
 5 founded by a member of the triple A and was
 6 designed to create online appraisal businesses,
 7 do online appraisals. It was in financial
 8 distress and it was brought to me as something
 9 to buy. So I got -- you know, did a lot of due
 10 diligence on the appraisal industry at the time,
 11 as well as that company in particular.
 12 Q. The name of that company was?
 13 A. Eppraisals.
 14 Q. E dash praisals?
 15 A. I can't remember, it's been a
 16 while.
 17 Q. Eppraisals was a company that you
 18 said was founded by a member of the triple A?
 19 A. I believe so.
 20 Q. And what's the triple A?
 21 A. The Appraisals Association of
 22 America -- Appraisers Association of America.
 23 Q. The Appraisers Association of
 24 America, is that involved in the appraisal of
 25 art?

1 Michael Plummer
 2 A. Yes.
 3 Q. Is that strictly involved in the
 4 appraisal of art?
 5 A. I believe so.
 6 Q. Did you end up buying Eppraisals?
 7 A. No, I did not.
 8 Q. How long did you do the due
 9 diligence on that?
 10 A. Several months.
 11 Q. Would you say three to four months?
 12 A. Possibly.
 13 Q. Any more?
 14 A. I don't remember, it's a long time
 15 ago.
 16 Q. So other than that three or
 17 four-month due diligence with Eppraisals, did
 18 you have anything to do with art appraisals in
 19 connection with Art Base, Inc.?
 20 A. I do not have -- I did not work on
 21 any appraisals, but I had a number of clients at
 22 Art Base, Inc. who were collectors and dealers
 23 with whom I was very involved in their
 24 collections and their inventories.
 25 Q. So what was Art Base, Inc.; would

1 Michael Plummer
 2 you try to sell art online, buy art online; what
 3 would you do?
 4 A. That was its ultimate ambition. It
 5 was a software program that collectors and
 6 dealers used, as well as a database of art
 7 prices which was used by appraisers, which is
 8 why the Eppraisals company was a logical fit, it
 9 made sense logically.
 10 Q. Did you develop the software
 11 program?
 12 A. No, I did not.
 13 Q. Who did?
 14 A. I don't remember.
 15 Q. When you formed the company did you
 16 acquire the software program?
 17 A. Which software program are you
 18 referring to?
 19 Q. I asked you what Art Base, Inc.
 20 does and you said its goal was to buy and sell
 21 art, but initially it was a software program?
 22 A. Yes. Okay. You're referring to
 23 the Art Base software, I was not sure if you
 24 were referring to that or Eppraisals. I did not
 25 write that software though.

1 Michael Plummer
 2 Q. Did Art Base, Inc. own the
 3 software?
 4 A. It did, yeah.
 5 Q. What ultimately -- you said you
 6 worked with collectors and dealers. In your
 7 work with collectors and dealers did you do any
 8 appraisals for them?
 9 A. No, I did not.
 10 Q. Did you work on any appraisal
 11 projects for them?
 12 A. No, I did not.
 13 Q. Did you ultimately sell Art Base,
 14 Inc. or did it just close down?
 15 A. We made a deal with the founders to
 16 return it back to them.
 17 Q. The founders of Art Base, Inc., was
 18 that a company?
 19 A. Yes, it was a company.
 20 Q. What was that company, the
 21 founders?
 22 A. Their company was originally called
 23 Art Base without the ink.
 24 Q. Were they based here in New York?
 25 A. Yes.

1 Michael Plummer
 2 Q. Are they still in business?
 3 A. Yes, they are.
 4 Q. Do they have a website?
 5 A. Yes, they do.
 6 Q. Do you know the site?
 7 A. I think it's Art Base. I don't
 8 know, I haven't been there for years.
 9 Q. ArtBase.com?
 10 A. Probably, possibly.
 11 Q. After 2003 what did you do?
 12 A. In 2003 I joined a company called
 13 Fernwood Art Investments as the chief operating
 14 officer and president.
 15 Q. That's F-e-r-n-w-o-o-d. So Exhibit
 16 B to your report, your CV says that you were
 17 there from 2003 to 2006?
 18 A. That sounds right, yes.
 19 Q. Were you the CEO?
 20 A. I was the president and COO.
 21 Q. Who was the CEO?
 22 A. A man by the name of Bruce Taub.
 23 Q. In your work as the president and
 24 COO of Fernwood did you do any work in art
 25 appraisals?

1 Michael Plummer
 2 A. No, we did not do art appraisals,
 3 but we did some of the most I would say
 4 pioneering work in analysis of the art sectors
 5 and their behavior over the previous 25 years,
 6 which was considered groundbreaking at the time.
 7 Q. By the way, just so you know, this
 8 is her typing so I get to read it if I can't
 9 remember exactly what you said. There's no
 10 special tool here other than her typing.
 11 So when you refer to your
 12 pioneering work and analysis in the art sectors,
 13 what are you referring to?
 14 A. I'm referring to a report that we
 15 issued with our in-house economist which
 16 described the performance of the different
 17 sectors of the art market, which I refer to in
 18 my expert report, such as the American Art
 19 sector, the Impressionist and Modern Art sector,
 20 those various sectors, and their behavior over
 21 time, their growth in value, their decrease in
 22 value, their investment attributes, their
 23 volatility, their performance against the stock,
 24 the equity markets, the S&P, other such things,
 25 and their viability as investments and their

1 Michael Plummer
 2 volatility.
 3 Q. So in connection with that study,
 4 the report that you just referred to in your
 5 testimony, did you determine that there were
 6 certain genres of art that were more volatile in
 7 terms of --
 8 A. We did.
 9 Q. In terms of the nature of the
 10 investment?
 11 MR. IRWIN: Let him finish his
 12 question.
 13 Q. In doing that study or making that
 14 determination, did you work with art appraisers?
 15 A. We worked with art specialists who
 16 did appraisal work from time to time.
 17 Q. Those art specialists that did
 18 appraisal work from time to time, what
 19 information did they give you that was
 20 ultimately used in your report?
 21 A. They helped us choose the artists
 22 who are used as part of the indices that we
 23 created; they validated the results of the
 24 report; they were a sounding board and quality
 25 check to the process.

1 Michael Plummer
 2 Q. In validating the results, what are
 3 you referring to there?
 4 A. Well, for example, we had signed up
 5 as our expert team some of the leading dealers
 6 in the industry. Take for example David Nash
 7 who was a -- is a leading impressionist and
 8 modern dealer, we would share the information we
 9 compiled and our analysis, and he had been in
 10 the industry at that time, he had run the
 11 department at Sotheby's for 30 some years, and
 12 he would validate the conclusions that we were
 13 coming to, as would various other specialists in
 14 those various categories.
 15 Q. Would you consider David Nash a
 16 specialist who you believe does appraisals?
 17 A. I think he has done appraisals from
 18 time to time, but his core work is running his
 19 gallery and selling art; but he is one of the
 20 most knowledgeable people that I would turn to
 21 for that sort of information.
 22 Q. In connection with your report on
 23 volatility or your report in general, which
 24 included some information on volatility; did you
 25 update that report over the years?

1 Michael Plummer
2 A. I did in a different form when I
3 moved to Christie's. We used that work at
4 Christie's as the foundation for our work for
5 creating an art fund with Goldman Sachs and used
6 that work, shared that work with Goldman Sachs
7 who vetted it.

8 Q. I'll get to that chronologically as
9 we move on.

10 A. Sure.

11 Q. The first report came out in what
12 year?

13 A. Maybe 2004 or '05.

14 Q. When did you update it?

15 A. Probably 2007, '08.

16 Q. So you updated it after you left
17 Fernwood?

18 A. Yes.

19 Q. In connection with the work you
20 just described that you did the Fernwood, you
21 created this pioneering report. What else did
22 you do?

23 A. We also structured two art funds
24 and I hired the specialist staff for Fernwood,
25 who were the advisors to Fernwood on -- would

1 Michael Plummer

2 A. Yes.

3 Q. Is that the typical cycle that you
4 need to hold art in order to make the kind of
5 profits you're looking for?

6 A. Some would hold it for longer.
7 There were constraints on investor expectations
8 on getting returns, so we went out with five to
9 eight years for marketing purposes, but we had
10 the ability to extend the holding period to
11 maximize returns.

12 Q. In your first art fund how much did
13 you raise?

14 A. We didn't because the art fund ran
15 into trouble.

16 Q. What was that?

17 A. I uncovered malfeasance on the part
18 of the CEO, that he had taken investor funds
19 from the company and used them for his personal
20 means.

21 Q. This is the company Fernwood?

22 A. Yes.

23 Q. So the first art fund you formed
24 didn't really get off the ground?

25 A. No.

1 Michael Plummer
2 have been for the purchases of art for the fund.

3 Q. Let's break that down. So you
4 structured two art funds?

5 A. Right.

6 Q. Let's just take them one at a time.
7 What was the first?

8 A. The first was a sector fund which
9 was devised to invest across the different
10 sectors of the art market, from Old Master
11 paintings up through emerging contemporary art.

12 Q. An art fund is essentially what, a
13 collection of funds that is intended to be
14 invested in art?

15 A. They can take many forms, but in
16 this instance it was a fund devised to accept
17 investments at a minimum of \$250,000 up to I
18 think 1 million. That would be put into a pool,
19 that would be used to invest art and the art
20 would be held or was anticipated to be held for
21 about five to eight years.

22 Q. And then to be sold off for profit?

23 A. Correct.

24 Q. How long did you say? I should be
25 able to find it here, five to eight years?

1 Michael Plummer

2 Q. What about the second one?

3 A. The company went under. There two
4 funds at that time, we had gotten an approval
5 from Merrill Lynch and gone through due
6 diligence with them, but unfortunately I
7 uncovered the malfeasance on the part of the CEO
8 and collectively myself and the specialists
9 resigned from the company.

10 Q. So neither of the art funds that
11 you formed really got off the ground?

12 A. No.

13 Q. You have to say more than nod?

14 A. Okay. No.

15 MR. SOTO: We've been going about
16 an hour, do you want to take a break?

17 THE WITNESS: Yes, sure.

18 THE VIDEOGRAPHER: The time is 9:52
19 a.m., and we're going off the record.

20 (Off the record)

21 THE VIDEOGRAPHER: The time is
22 10:03 a.m., and we are back on the record.

23 BY MR. SOTO:

24 Q. Mr. Plummer, I was interested in
25 your description of the work that you had done.

1 Michael Plummer
2 Is there a way I can get a copy of
3 that report that you referred to, the pioneering
4 report?

5 A. I don't know. I'd have to look for
6 it, it's quite old.

7 Q. It depends what you mean by old.
8 It should be somewhere around 2004 or 2005, so
9 it would be about a decade old maybe?

10 A. Yeah, but a lot of the firm's stuff
11 is in storage or disappeared because it went out
12 of business.

13 Q. So you didn't keep a copy of the
14 report?

15 A. I may have a copy somewhere, I
16 would have to look for it.

17 Q. If you could I would appreciate it,
18 and I'll contact Geoff to see if we can get a
19 copy of it.

20 Again, you said it was updated
21 sometime around 2008 when you were working with
22 Christie's, correct?

23 A. Correct.

24 Q. If you can't find the original one,
25 maybe if you can find a copy of the updated one?

1 Michael Plummer

2 A. Well, the updated one was
3 Christie's information that was not issued
4 publicly, but used for its clients.

5 Q. So we can probably ask someone at
6 Christie's to see if they have a copy of it,
7 correct?

8 A. You could. I'm not sure if they
9 kept records of that stuff.

10 Q. Who did you work with when you were
11 at Christie's?

12 A. I worked with Jane Chesworth who
13 was then the COO. She has now left and Steven
14 Mendel who has also departed.

15 Q. Did you ever work with an
16 individual named Paul Provost?

17 A. At Christie's, yes.

18 Q. Would he have been knowledgeable
19 about the updated report that you were referring
20 to in your testimony?

21 A. I don't know.

22 Q. So we will be sure to ask him.
23 Moving on.

24 So the two structured art funds
25 that didn't get off the ground were one thing

1 Michael Plummer
2 you did during your period at Fernwood. What
3 else?

4 A. As I said, I believe I said I hired
5 the specialist team that we were employing to
6 make the selections for the art investment, to
7 work with us.

8 Q. That was when you started there in
9 2003 that you started to hire the team?

10 A. Um-hum.

11 Q. How many people were in that team?

12 A. I believe it was around eight or
13 nine.

14 Q. These eight or nine specialists as
15 I refer to them, were any of them appraisers?

16 A. I think some of them did appraisal
17 work from time to time, but more importantly
18 they were transactional experts in that they
19 were deeply embedded in the industry and had a
20 lot of transactional experience, knew how to
21 establish values for investing in art.

22 Q. When you say "establish values for
23 investing in art," what do you mean?

24 A. I mean making sure that we were
25 purchasing art that was at the right price that

1 Michael Plummer

2 the works would appreciate and give a return to
3 investors.

4 Q. How do you establish values for
5 investment in art, what's the first step that
6 you take?

7 A. Well, it's very similar to the
8 appraisal process, you would look at
9 comparables.

10 Q. So you would start by looking at
11 comparables. Then what else would you do?

12 A. You would, well you'd look at the
13 subject work and you would examine it closely to
14 determine if it was what it purported to be, or
15 reported to be. Then you might have a
16 discussion, or might not depending on the
17 circumstances, with others in the industry about
18 information that might not be publicly
19 available.

20 Q. What type of information?

21 A. Other items that might be for sale
22 other places or on consignment, or might just
23 have been sold but not reported publicly.

24 Q. So other sales?

25 A. Other sales, other pending sales or

1 Michael Plummer

2 other consignments of similar works.

3 Q. When you use the word consignment
4 can you tell the Court what you're referring to?

5 A. Consignment is when a work of art
6 is given to a dealer or an auction house to be
7 sold, but the ownership of it is still retained
8 by the original owner and the title does not
9 pass until a bill of sale happens or an auction
10 occurs and the hammer falls.

11 Q. So in connection with establishing
12 value they would look at some comparables, they
13 would validate that the work is authentic I
14 assume is what you were saying?

15 A. Yes.

16 Q. And then they would look at other
17 sales that might not be public or other pending
18 consignments?

19 A. Correct.

20 Q. That's the work of the specialists
21 that you referred to?

22 A. Right.

23 Q. How would you distinguish that from
24 the work of an appraiser?

25 A. I don't know that there is much to

1 Michael Plummer

2 distinguish except that they're not issuing an
3 appraisal report, but they are doing a valuation
4 that is critical to making and spending money,
5 making an investment on a work of art.

6 What they're not doing is making
7 any distinctions between fair market value or
8 other such things.

9 Q. I see the distinction. So one of
10 the distinctions is they're not preparing an
11 actual appraisal report?

12 A. Correct.

13 Q. The other one would that they're
14 not making distinctions in a form of appraisal,
15 for example, a fair market value appraisal or an
16 auction estimate appraisal?

17 A. Correct.

18 Q. But other than that they're valuing
19 the art in similar fashion, correct?

20 A. They are actually establishing a
21 fair market value, they're just not labeling it
22 such and they're not issuing a report labeling
23 it as such.

24 Q. Understand. So we are somewhere in
25 2000, we're back at Sotheby's. Where are we, at

1 Michael Plummer

2 2003 maybe. No, 2006. You're done at Fernwood.
3 Where do we go in 2006?

4 A. In 2006 I had a certain number of
5 months off because Fernwood collapsed
6 unexpectedly, but then I was hired by
7 Christie's. They had been fascinated by -- the
8 CEO of Christie's had been fascinated by the
9 work I had been doing at Fernwood and they hired
10 me to bring that over to Christie's and develop
11 an art fund and an art lending business for
12 Christie's, because Christie's had not had an
13 art lending business prior to that even though
14 Sotheby's had.

15 Q. So in 2006 or so when you went to
16 Christie's they didn't have any art funds?

17 A. No.

18 Q. And they didn't have any art
19 lending business?

20 A. No. They did have some art loans,
21 but it was one-off situations and done for
22 client relations, but they did not have an art
23 lending business.

24 Q. So when you got to Christie's what
25 department did they put you in or what did you

1 Michael Plummer

2 do?

3 A. It was a new division that I was
4 hired to create and it was called Christie's
5 Financial Services, and I was made Senior Vice
6 President and Chief Operating Officer of the new
7 division.

8 Q. Senior VP and COO?

9 A. Um-hum.

10 Q. What were your responsibilities as
11 the senior VP and chief operating officer of
12 Christie's financial services?

13 A. I had two different branches of
14 responsibilities. One was to implement a best
15 practices for underwriting art loans, also
16 overseeing the adoption of KYC, know your client
17 practices, and developing relationships with
18 potential lending partners, other banks that
19 would provide credit to use for the loans.

20 Then on the other side I was -- the
21 other main division of responsibility was
22 developing an art fund or a series of art funds
23 for Christie's, in partnership with Goldman
24 Sachs.

25 Q. In terms of your first area of

1 Michael Plummer
2 responsibility you mentioned implementing best
3 practices.

4 What were those best practices?

5 A. Well, they were -- they were
6 understanding the art as collateral. Christie's
7 was used to using art for auctions, but it was
8 working with them and their appraisals
9 department and their specialists to develop the
10 right kind of approach to doing valuations for
11 art loans.

12 Because when an auction house does
13 an art loan they're doing it, what you would
14 call it's a non-recourse loan in effect; so they
15 have to be certain that they have setting the
16 right values on the property so that if they
17 have to liquidate it they won't take a loss.

18 It's a little bit different than
19 doing a general appraisal or an auction
20 estimate, because there is a higher level of
21 risk for the auction house.

22 Q. The higher level of risk is that
23 you could sell the art; you might not get the
24 value of the loan and you have no recourse
25 against the individual?

1 Michael Plummer
2 them to do things for us.

3 Q. What would you need from the
4 appraisal department for an art loan that was
5 different than, for example, what the appraisal
6 department would do for an auction?

7 A. In terms of -- I think I just said
8 that it was -- they would need to consider the
9 fact that in their evaluation that they were
10 secure that they were giving a low and
11 conservative valuation in the event that if a
12 work defaulted or if the borrower defaulted that
13 Christie's would get its money back.

14 Q. So, in essence, you were telling
15 them that look, in connection with the work you
16 were doing with us on art loans, you have to be
17 very conservative in your estimates?

18 A. Correct.

19 Q. Any other differences?

20 A. Well, and if you think it won't
21 sell or it has potential to buy in we need to
22 know that, or a high potential to buy in.
23 Whereas, if Christie's is valuing property for
24 any auction house for a seller and that property
25 doesn't sell there is no risk to Sotheby's or

1 Michael Plummer

2 A. Correct.

3 Q. So all of the loans that you were
4 working with were non-recourse to the individual
5 borrower?

6 A. They might have recourse language
7 in them, but the effect is if they were
8 borrowing from an auction house, often the
9 reality is that it is non-recourse.

10 Q. Because they don't have resources
11 to back anything, is that your point?

12 A. Correct.

13 Q. You say you worked with the
14 appraisal department and the specialists in
15 connection with formulating these best
16 practices.

17 What input did the appraisal
18 department or specialists have with respect to
19 the best practices?

20 A. Well, we were more or less telling
21 them what we needed from them, how they needed
22 to be different. They weren't really giving
23 input back to us, except that they were worried
24 about their additional workload and staffing
25 needs, but we were telling them how we needed

1 Michael Plummer
2 Christie's, it's the seller's risk. So it's --

3 Q. So the first -- finish, I'm sorry.

4 A. So it's just a different
5 consideration.

6 Q. I want to make sure I understand.
7 So one of the differences is there's a higher
8 risk, and you wanted to make sure the appraisers
9 were being conservative in their estimates
10 because of the higher risk?

11 A. Yes.

12 Q. The other difference is if
13 appraisers had some information regarding the
14 marketability or the lack of marketability of a
15 given piece of art, that they needed to share
16 that because it was important that you would be
17 able to sell the art as collateral if you needed
18 to?

19 A. Right. This is an instance where
20 BI considerations, bought-in considerations or
21 unsold considerations are taken into account,
22 when in general appraisal practices they are
23 not.

24 Q. That's an interesting phrase that
25 I'm not familiar with. BI considerations, or

1 Michael Plummer
 2 buy-in as you put it before?
 3 A. Right.
 4 Q. What does that mean?
 5 A. It means a certain percentage of
 6 property in nearly every auction remains unsold,
 7 and it can vary from as little as 10 or
 8 15 percent up to 35 or 40 percent.
 9 Q. What happens with that property in
 10 connection with an auction that's just given
 11 back to the owner, correct?
 12 A. Sometimes. Sometimes it's marked
 13 down and resold because the owner doesn't want
 14 it back.
 15 Q. But sold at a lower price?
 16 A. But sold at a lower price.
 17 Q. So the phrase "buy-in" means?
 18 A. Bought in. It technically means
 19 that the auction house is buying something back
 20 in the auction on behalf of the seller at a
 21 preset reserved price.
 22 Q. That's new information to me. So
 23 sometimes in connection with an auction, an
 24 auction house will have a preset price at which
 25 it will buy some of that art?

1 Michael Plummer
 2 A. No, no, no, that's not what I am
 3 saying. It is a -- a reserve price is a
 4 pre-agreed upon price between the auction house
 5 and the seller, at which the auction house will,
 6 in their language, buy it back on behalf of the
 7 seller. Meaning that they will take it back,
 8 they will not sell it to somebody else below
 9 that price so they will --
 10 Q. Hold it for the seller?
 11 A. Hold it for the seller.
 12 Q. And then the seller just gets it
 13 back?
 14 A. Or re-offers it.
 15 Q. Or re-offers it in another sale?
 16 A. Correct.
 17 Q. So that's what you meant when you
 18 talked about the BI factor?
 19 A. Correct. It's just auction
 20 terminology. It's confusing, but that's how
 21 they refer to it.
 22 Q. Again, one of the differences is
 23 that in connection with an art loan, you want to
 24 be sure you can sell the art if you are taking
 25 it as collateral, correct?

1 Michael Plummer
 2 A. Yes.
 3 Q. So other than being conservative
 4 and getting more information on the
 5 marketability or the salability of a given art,
 6 was there any other difference, any other input
 7 that you would get from the appraisal
 8 department?
 9 A. I don't recall.
 10 Q. What about from the specialists;
 11 other than those two things, did you get any
 12 other information from the specialists?
 13 A. Well, the specialists, we were
 14 working to get them to promote lending to their
 15 clients. So we were looking at them as sales
 16 partners in building the business for us, and we
 17 would meet sometimes with their clients and them
 18 to, you know, propose art loans.
 19 Q. In connection with these best
 20 practices, and I don't know if this was part of
 21 the practice at Christie's or part of your
 22 practice; would you create a best practice
 23 manual saying this is the way that we are going
 24 to prepare to make an art loan and this is the
 25 information we need if we're going to make an

1 Michael Plummer
 2 art loan?
 3 A. We had a very, very extensive
 4 underwriting manual.
 5 Q. That underwriting manual would
 6 include what you had helped to put together in
 7 terms of the best practices to make an art loan?
 8 A. As I remember it, but I haven't
 9 read it for five years, seven or six years now.
 10 Q. Did you help put together that
 11 underwriting manual?
 12 A. Yes, I did.
 13 Q. Was there one when you got there?
 14 A. No, there wasn't.
 15 Q. And you don't happen to have a copy
 16 of that underwriting manual?
 17 A. No, I don't.
 18 Q. You also said in connection with
 19 the implementation of the best practices you
 20 developed relationships with lending banks.
 21 What does that entail?
 22 A. I was looking for lending partners
 23 who would provide additional capital for the
 24 loans so we wouldn't have to use Christie's
 25 balance sheet exclusively.

1 Michael Plummer
2 Q. Were you able to find lending
3 banks?

4 A. Yes. There was one that was in
5 discussions with Christie's, deep in discussions
6 with Christie's by the time I left.

7 Q. But before you left the
8 relationship hadn't finalized?

9 A. It had not finalized.

10 Q. So while you were there, to the
11 extent Christie's was making art loans it was
12 making it from its art capital?

13 A. Yes.

14 Q. The second thing you said you did
15 when you got to Christie's and helped form their
16 financial services department was develop a
17 series of art funds, correct?

18 A. Yes.

19 Q. How many art funds did you develop?

20 A. We were working with Goldman Sachs
21 to initially develop four. One similar to
22 the -- it was in essence an adaptation of what
23 we were doing at Fernwood. The initial plan was
24 for four, one in the Impressionist and Modern
25 sector, one in the Post War sector and

1 Michael Plummer
2 Contemporary sector, and then one in the Old
3 Masters sector.

4 Then the fourth which we call the
5 Brick fund which was in emerging markets such as
6 Chinese art, Latin American Art, Russian and
7 Indian Art.

8 Q. So you picked certain sectors of
9 art that you were going to try to create funds
10 for, correct?

11 A. Correct.

12 Q. Why did you pick those? For
13 example, why would you pick Impressionist and
14 Post War and Old Masters and emerging markets?

15 A. Well, as a selling strategy Goldman
16 was really going to be the distributor. They
17 wanted to be able to have an array of products
18 to sell to their clients that had different risk
19 return attributes.

20 So, for instance, based on the work
21 that I had done at Fernwood we were able to
22 determine that based on that analysis of
23 volatility and risk and return we were able to
24 determine, for instance, that Old Masters were
25 less volatile than Contemporary and more stable,

1 Michael Plummer
2 but lower return.

3 And that Impressionist and Modern
4 fell somewhere in between Contemporary and Old
5 Masters, and that the Brick categories were much
6 higher risk, but potentially much higher return.
7 So like any kind of investment product, your
8 investor will choose which fit his investment
9 goals.

10 Q. Did you start four art funds?

11 A. Well, what ended up happening was
12 that that was -- the art fund projects began in
13 2007 in earnest, perhaps a little bit -- yeah,
14 in 2007.

15 As you may recall, in July of 2007
16 the financial credit market started seizing up
17 in July of 2007.

18 Q. That would have been July of 2008,
19 and we know that date very well.

20 A. No, no, no. Actually, 2007 is when
21 the credit market started seizing up. So we
22 went to -- let's see. Then by 2008, July, of
23 course then the financial markets overall
24 started having an impact.

25 My now business partner and I who

1 Michael Plummer
2 were working at Christie's together on the art
3 fund went to the management of Christie's to
4 advise them to pull out of their guarantee
5 portfolio, because we predicted based on our
6 financial analysis that the market would crash
7 in the fall of 2008.

8 Unfortunately, we were disregarded
9 and Christie's had a very large guarantee
10 portfolio going into the fall of 2008. It's a
11 matter of public record that the art market
12 crashed in the fall of 2008, along with the
13 seizing up of financial markets.

14 At that time we restructured the
15 art fund from being four funds to being one
16 fund, that would be an opportunistic fund based
17 on the realities of the current market
18 situation.

19 Q. A very interesting period. Again,
20 to make sure I get it right. You began with
21 thoughts of having four art funds?

22 A. Correct.

23 Q. Structured along the lines of your
24 prior testimony and dealing with four different
25 genres of art based on the factors you testified

1 Michael Plummer
2 about earlier. You began that in 2007?
3 A. Right.
4 Q. But because of credit markets and
5 later financial markets; did you actually raise
6 the funds, the four funds?
7 A. No. As I was saying, we dropped
8 the plan for the four funds and we restructured
9 it to be one fund.
10 Q. You did that in about 2008?
11 A. That would have been in January of
12 2009; December 2008, January 2009, and we went
13 to market in April -- late March, in March or
14 early April with the opportunity fund, the
15 distressed fund if you will, and we went to
16 Europe and met with leading investment firms in
17 Europe and, as you would say in the industry,
18 soft circled about a hundred million for that
19 fund.
20 Q. What does soft circled mean?
21 A. It means you have a verbal
22 expression of interest for a certain amount of
23 money without a signed agreement of funding.
24 Q. So December, January you formed the
25 one fund?

1 Michael Plummer
2 A. Right.
3 Q. Were you still at Christie's?
4 A. Yes.
5 Q. You then went to market with that
6 one fund sometime in March or April of 2009?
7 A. Correct.
8 Q. Did you ever actually raise the
9 funds for that one fund?
10 A. No, we did not, because Christie's
11 made a decision a few weeks after that or around
12 that time that they had sufficient problems in
13 their core business based on that guarantee
14 portfolio, that they had to cut back and could
15 not make the seed investment in the art fund
16 that was required for the art fund to proceed.
17 Q. So beyond that, what else did you
18 do at Christie's Financial Services?
19 A. The funds and the lending business,
20 those are my primary responsibilities.
21 Q. Essentially, how many loans did you
22 bring to market for Christie's in the art
23 lending business?
24 A. Well, there were four loans with
25 Christie's while I was there. Then in the

1 Michael Plummer
2 spring of 2009, Christie's withdrew from both
3 the lending business and the art fund business
4 because they contracted, as many firms did in
5 2009, and dropped many of their new initiatives.
6 Q. Those four loans, do you recall the
7 size of those four loans?
8 A. They were in the -- all in the
9 portfolio was -- you know, I think this is
10 proprietary information, I'm not sure I can
11 reveal this, but they were substantial.
12 Q. When you say "substantial" are you
13 saying seven figures?
14 A. More.
15 Q. So without naming any names, can
16 you tell me the size of these loans?
17 A. They were in the hundreds of
18 millions.
19 Q. Do you know if these loans were
20 ever paid back?
21 A. I heard that they were, yes.
22 Q. Have we completed your description
23 of your work at Christie's?
24 A. I believe so.
25 Q. So in 2009 did you leave

1 Michael Plummer
2 Christie's?
3 A. I did.
4 Q. When in 2009?
5 A. Around that time, around
6 April 2009.
7 Q. Where did you go then?
8 A. I then founded Artvest Partners, my
9 current company.
10 Q. Since 2009 to the present, have you
11 been employed by or worked with Artvest
12 Partners?
13 A. I am a principal of Artvest
14 Partners, it is my firm.
15 Q. Have you worked with anybody else
16 during that period of time?
17 A. No.
18 Q. So your sole employment from 2009
19 to present has been with Artvest Partners?
20 A. Correct.
21 Q. Who else works with you at Artvest
22 Partners?
23 A. I have my partner, Jeff Rabin, who
24 was part of this financial services group at
25 Christie's with me working on the art fund. He

1 Michael Plummer
 2 came with me into this venture and we founded it
 3 as co-principals and partners.
 4 Q. How many people do you employ?
 5 A. At the moment we have one, a
 6 full-time employee.
 7 Q. What does that person do?
 8 A. She assists us with our analysis.
 9 Q. Would you call her a specialist?
 10 A. No. I mean she actually had worked
 11 in the specialist department at Sotheby's and
 12 she has a graduate degree from the NYU program,
 13 but she's not -- I would say her -- she wears
 14 many hats, so I'm not sure that I would call her
 15 a specialist.
 16 Q. Would you call her an appraiser?
 17 A. I would not call her an appraiser.
 18 Q. Is Mr. Rabin an appraiser?
 19 A. No, he is not an appraiser.
 20 Q. The full time employee that you
 21 referred to, does she have a name?
 22 A. Yes. Anya Bemis, A-n-y-a,
 23 B-e-m-i-s.
 24 Q. Has Anya ever been involved in the
 25 sale of a substantial collection of art like

1 Michael Plummer
 2 the -- say the art that was appraised by
 3 Christie's for the DIA?
 4 A. You know, I don't remember all of
 5 Anya's experience. She has worked on projects
 6 for us and she worked in the specialist
 7 department at Sotheby's years ago, so I would
 8 imagine in that capacity she did have some
 9 experience on working on some collections.
 10 Q. So the collection that was
 11 appraised by Christie's, you're familiar with
 12 it?
 13 A. I'm sorry, are you referring to the
 14 appraisal of the DIA collection?
 15 Q. The collection of art at the DIA
 16 that was appraised by Christie's, are you
 17 familiar with that?
 18 A. I am familiar with it.
 19 Q. Did you handle that appraisal in
 20 connection with the preparation of your expert
 21 report?
 22 A. We reviewed it, yes.
 23 Q. That would be about 1,700 or so
 24 works of art that they appraised, correct?
 25 A. That would be. We did not review

1 Michael Plummer
 2 all 1,700, but we reviewed a number of the
 3 objects that we felt were important and
 4 relevant.
 5 Q. Have you ever been involved in the
 6 sale of a collection of art the size that we
 7 were just referring to, the 1,700 works of art
 8 at the DIA?
 9 A. No, I have not been involved in a
 10 sale of that magnitude.
 11 Q. Do you know if Anya has?
 12 A. I do not know.
 13 Q. Do you know if Jeff Rabin has?
 14 A. I do not know. He was involved in
 15 sales in Sotheby's -- in Christie's wine
 16 department before he came to Artvest and worked
 17 in financial services, so he may have.
 18 Q. Sales of wine?
 19 A. Sales of wine in Christie's wine
 20 department.
 21 Q. Is sales of wine the same as sales
 22 of art?
 23 A. They require expertise and there
 24 are a lot of similarities, yes. It involves
 25 condition, it involves authenticity. There are

1 Michael Plummer
 2 a lot of very strong, compelling overlaps.
 3 Q. Is Mr. Rabin in his work at Artvest
 4 continuing to be involved in the sale of wine?
 5 A. He is not.
 6 Q. Can you describe the business of
 7 Artvest Partners for me?
 8 A. We advise clients on buying and
 9 selling art; we set values for them in buying
 10 and selling art; we from time to time write
 11 about the art market and the performance of the
 12 art market; we broker loans for clients and
 13 assist them in setting the values for those
 14 loans.
 15 We negotiate with the auction
 16 houses on behalf of clients for selling their
 17 art at auction and setting values for that art.
 18 We work with members of the trade and broker
 19 deals and sell property directly on behalf of
 20 clients.
 21 Lastly, we also have an ownership
 22 interest in an art fair, a significant ownership
 23 interest in an art fair, and we have close
 24 relationships with members of the trade who are
 25 our clients and keep abreast of market

1 Michael Plummer

2 conditions through those relationships.

3 Q. So the first thing you mentioned,
4 and I want to make sure I'm understanding it as
5 well, is advising the clients in the buying and
6 self art, correct?

7 A. Um-hum.

8 Q. How would it work? A person would
9 be an owner of art and then would say well, I'm
10 considering selling this art, and they would
11 want to work with someone who knows more about
12 the market and about the value of the market and
13 the way it's working, and then they would come
14 to you as a consultant and an advisor, correct?

15 A. Um-hum.

16 Q. Do you charge by the hour or is
17 there a commission?

18 A. It depends on the situation. We
19 may charge a fixed fee, we may charge by the
20 hour or we may charge a transaction fee, or we
21 may just charge a combination of both.

22 Q. So you're like a law firm there
23 then?

24 A. I would never say that I was like a
25 law firm.

1 Michael Plummer

2 Q. I could understand why. Now, in
3 terms of the fees, the different types of fees
4 that you're charging, would there be one type of
5 client that you would charge by the hour,
6 another a fixed fee, another something else?

7 A. I would say it's more defined by
8 the project and the needs of the project; every
9 project is different.

10 Q. The advice that you give if a
11 client comes to you with a piece of art that
12 they're considering selling, do you first try to
13 determine the value of that art?

14 A. Um-hum. Yes, sorry.

15 Q. Please don't be sorry, I do it all
16 the time. When I point like that you just give
17 your verbal answer.

18 The issue of setting that value,
19 would you do it in the way you described
20 earlier, by trying to determine what maybe
21 comparables were and then trying to determine
22 what the market situation is for that particular
23 type of art?

24 A. Yes. I would say we do sort of a
25 macro and a microeconomic review. So you look

1 Michael Plummer

2 at the comparables in the market and then you
3 look at market conditions overall and whether
4 it's a good time to sell, a safe time to sell.

5 Whether or not, for instance, it
6 would be best to sell at auction or to sell
7 privately, whether or not the work is good
8 enough to negotiate a guarantee with the auction
9 houses, that sort of thing.

10 Q. So you could even work with other
11 auction houses as you just mentioned to have the
12 art sold, and you might advise somebody that
13 look, this is the type of art that would best be
14 auctioned or this is the type of art that would
15 best be sold in a different way; is that how it
16 worked?

17 A. Correct.

18 MR. IRWIN: Sorry, did you have a
19 question about something?

20 THE WITNESS: I wanted to ask if I
21 could have a bathroom break.

22 MR. SOTO: Absolutely.

23 THE VIDEOGRAPHER: The time is
24 10:42 a.m., and we're going off the record.
25 (Short break taken)

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2 THE VIDEOGRAPHER: This begins
3 media unit number 2, the time is 10:48 a.m., and
4 we're back on the record.

5 BY MR. SOTO:

6 Q. Mr. Plummer, one of the questions I
7 meant to ask but forgot to. In connection with
8 the four loans that you testified about that
9 were made by Christie's while you were there
10 overseeing the financial services department,
11 were any of those loans made to institutions?

12 A. I don't think so.

13 Q. So those were loans to private
14 individuals?

15 A. Yes.

16 Q. So the second thing you mentioned
17 in connection with the work you do at Artvest
18 was to set values?

19 A. Um-hum.

20 Q. Is that any different than what you
21 just testified about in terms of advising
22 clients and determining the value of their art?

23 A. No, I don't believe so. I'm not
24 sure I understand your question though.

25 Q. Let me see if I can break it down.

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 2 You mentioned that you advised clients in the
 3 buying and selling of art?
 4 A. Right.
 5 Q. The second thing that you listed,
 6 at least the transcript said, was you also said
 7 values. I was trying to see, is there a
 8 distinction between the way you would set values
 9 and advising a client on the buying and selling
 10 of art, and what you referred to in your prior
 11 testimony generally as setting values?
 12 A. I would say we generally follow the
 13 same methodology for advising clients on buying
 14 and selling art and for setting values on art
 15 when we set values.
 16 Q. That's what you just testified
 17 about, correct?
 18 A. Yeah.
 19 Q. You said that you write regarding
 20 the performance of art?
 21 A. Yes.
 22 Q. What would that include, would that
 23 include published articles?
 24 A. It includes a piece written and
 25 published in The Art Newspaper. We use to issue

1 Michael Plummer
 2 periodic market analysis which we sent out to
 3 our distribution lists which were widely
 4 acclaimed and much sought after, reviewing each
 5 season and the outlook for the current season.
 6 We did a special analysis of the
 7 Asian market. At one point we did a special
 8 analysis of the Chinese market, much of which
 9 became the foundation of the front page article
 10 of The New York Times by Malcolm Bowley. We
 11 wrote on the Contemporary market; yeah, things
 12 like that.
 13 Q. Malcolm Bowley, is that B-o-w-l-y?
 14 A. B-o-w-l-e-y.
 15 Q. Would we be able to find the
 16 article that appeared in you called it The Art
 17 Newspaper?
 18 A. Yeah, it was an editorial in The
 19 Art Newspaper.
 20 Q. It would have your name attached to
 21 it?
 22 A. Yes. It has Jeff's and my name
 23 attached to it.
 24 Q. What was that editorial about?
 25 A. It was -- let me make sure I get

1 Michael Plummer
 2 the time right. It was about the state of the
 3 art market in I think it was 2009 and the
 4 prospects for its recovery based on the
 5 financial crisis.
 6 Q. Since that editorial five years ago
 7 have you done any other publishing?
 8 A. Well, as I said, those reports that
 9 I was talking about were done after that.
 10 Q. The periodic reports?
 11 A. Yeah.
 12 Q. The periodic market analysis that
 13 you did, was that published publicly or is it
 14 something privately?
 15 A. It was something that we at Artvest
 16 published and distributed to our clients.
 17 Q. How often did you publish it?
 18 A. We published them about every six
 19 months for an 18-month period; an 18-month to
 20 2-year period.
 21 Q. You stopped publishing it now?
 22 A. Yes.
 23 Q. Why did you stop?
 24 A. We stopped because it was an
 25 expensive undertaking. We had many fans who

1 Michael Plummer
 2 sought it out, but we found it to be -- we had
 3 also made our mark in the industry, we were now
 4 being sought out by clients and reporters to
 5 express our opinion and we felt we didn't need
 6 to continue making an investment; and it was a
 7 costly endeavor.
 8 Q. The periodic analysis would include
 9 your view of the values, again, of different
 10 genres of art --
 11 A. Yes.
 12 MR. IRWIN: You should let him
 13 finish his question.
 14 Q. -- and the volatility of different
 15 values of art?
 16 A. Yes.
 17 Q. As well as the salability of
 18 different genres of art, correct?
 19 A. Yes. We would even get into
 20 analyzing certain artists like Picasso and the
 21 growth in value of certain works of art that
 22 were coming back up at auction, and some
 23 in-depth analysis of individual works.
 24 Q. Did you utilize any of that
 25 information in arriving at any of the opinions

1 Michael Plummer
2 that you state in your expert report that you
3 are giving here in connection with the Chapter 9
4 proceedings of Detroit?

5 MR. IRWIN: It's a little vague,
6 you can answer the question.

7 A. No. I would say though that some
8 of the opinions and things that we expressed
9 then would be consistent with things that we
10 have expressed in this report, that certain
11 conditions perhaps remained the same or haven't
12 changed.

13 Q. If I wanted to determine how
14 accurate your analysis was in connection with
15 these periodic market analyses that you
16 published, where can I obtain copies of them?

17 A. I have copies.

18 (*r) MR. SOTO: Geoff, I would
19 appreciate it if we can get copies of those so
20 that I can look at them in connection with our
21 analysis of this expert.

22 MR. IRWIN: Send me a note tallying
23 all this stuff up at the end and we'll talk to
24 you then.

25 Q. So the next thing that is listed

1 Michael Plummer

2 A. It means we would establish the
3 value of the art and what the client was likely
4 to get as a loan for that art. Then sometimes
5 even work with the lender in agreeing to the
6 values the lender was going to put on the art.

7 Q. The next thing you mentioned was
8 you assisted clients in connection with their
9 work with auction houses, correct?

10 A. Yes.

11 Q. What would that entail?

12 A. That would entail arranging the
13 deal with the auction house in terms of what the
14 financial terms were, what the marketing terms
15 were, and what the value that the auction house
16 was putting on the property.

17 Q. You would help set the value?

18 A. We would be engaged in the
19 discussion of the value with the auction house,
20 which would be usually a three-party discussion,
21 the auction house, the client and us.

22 Q. In connection with -- let me finish
23 the list. The next thing you said is you sold
24 property directly for clients?

25 A. Yes.

1 Michael Plummer
2 here is that you brokered loans?

3 A. Yes.

4 Q. What does that mean?

5 A. It means that clients come to us
6 looking for art loans and we would take them to
7 a bank or a lending institution to get the loan,
8 and we would match the right lender to the needs
9 of the borrower and the borrower's
10 qualifications.

11 Q. In connection with your brokering
12 of loans, did you ever broker any loans for an
13 institution?

14 A. You mean on behalf of an
15 institution as a client?

16 Q. Yes, on behalf of an institution.

17 A. No.

18 Q. So for the most part, when you were
19 brokering loans it's on behalf of individual
20 clients?

21 A. Yes.

22 Q. The next thing you listed was set
23 value for loans?

24 A. Yes.

25 Q. What did you mean by that?

1 Michael Plummer

2 Q. What does that mean?

3 A. Well, I would say directly we would
4 sell property, not so much that we would sell it
5 ourselves but we would sell -- instead of
6 selling through auction we would sell it through
7 a dealer.

8 Q. So that would be a situation where
9 a client came to you, you felt it was best not
10 to go through an auction with this particular
11 client, but to go through a dealer directly?

12 A. Yes.

13 Q. You mentioned that Artvest has an
14 ownership interest in an art fair, correct?

15 A. Correct.

16 Q. What is that art fair?

17 A. It's called Spring Masters New
18 York.

19 Q. Where is it?

20 A. It is held in May at the Park
21 Avenue Armory.

22 Q. In connection with your ownership
23 of that interest in the art fair, do you perform
24 any appraisal services of any type in connection
25 with that work?

1 Michael Plummer

2 A. No, in that capacity we do none.
3 We do have nearly weekly conversations with
4 dealers who are our clients about the state of
5 the art market and the state of their
6 businesses, so it's an important resource for
7 information.

8 Q. So having an interest in the art
9 fair enables you to maintain contact with a
10 number of dealers, and a number of people who
11 will give you information that they have about
12 the market and about various genres of art,
13 correct?

14 A. Or confirm information that we
15 already have.

16 Q. So it helps you to keep up to
17 breast?

18 A. Exactly.

19 Q. That's what you meant when you said
20 that, to keep up to breast with market
21 conditions?

22 A. Right.

23 Q. In connection with the work that
24 you have described of Artvest for example, let's
25 just take the first one, advising clients.

1 Michael Plummer

2 Does Artvest ever hire or retain
3 the services of an appraiser in connection with
4 its work with its clients when it's advising
5 clients regarding buying and selling?

6 A. We hired appraisers to work on the
7 DIA project.

8 Q. Is that the only project that you
9 can recall that you hired appraisers for?

10 A. I believe so.

11 Q. Who were you retained by in
12 connection with your work on the DIA project?

13 A. By Cravath and Jones Day.

14 Q. Do you know who they represented in
15 connection with that project?

16 A. Yes.

17 Q. Who is that?

18 A. Jones Day for the City and Cravath
19 for the DIA.

20 Q. So ultimately your work was for the
21 City, and you were hired by Mr. Irwin's firm;
22 and also by the DIA you were hired by
23 Mr. Levin's firm?

24 A. Correct.

25 Q. In connection with your work under

1 Michael Plummer

2 Artvest, or as co-owner of Artvest, do you ever
3 advise clients on alternate forms of monetizing
4 art separate and apart from sales?

5 A. We have advised clients on art
6 loans, which is a type of liquidation other than
7 selling. We have never been hired to, but we
8 were engaged -- we were approached about setting
9 up a system for art loans for a fee, in terms of
10 lending works of art, but we found that to be
11 a -- not a viable option to pursue.

12 Q. So I understand it. The
13 distinction you're making between art loans that
14 you've been advised on, that you testified about
15 already, and art loans for a fee; what's the
16 difference?

17 A. Well, I mean lending a work of art
18 to someone to hang on their wall; renting a work
19 of art is what I mean.

20 Q. What has your experience been in
21 connection with, as you put it, renting a work
22 of art?

23 A. As I said, we've been approached
24 more than once about this and we have declined
25 to pursue that because we feel it's not a viable

1 Michael Plummer

2 line of business or option.

3 Q. It's not viable because it's
4 difficult to get a fee for it?

5 A. There's really no audience for it.

6 Q. The times that you were approached
7 for renting a work of art, was that by
8 individuals?

9 A. It was by individuals who had
10 collections, who were looking to do it as a tax
11 strategy.

12 Q. Other than those two forms of
13 monetization or alternatives to sale, has
14 Artvest worked with any other alternatives?

15 A. Not that I can recall.

16 Q. So you spent 16 years at Sotheby's,
17 correct?

18 A. Correct.

19 Q. And two years at Christie's,
20 correct?

21 A. Correct.

22 Q. During that time did you personally
23 conduct any appraisals?

24 A. No.

25 Q. During that time did you obtain any

1 Michael Plummer
2 training in conducting an appraisal?

3 A. No.

4 Q. During that time did you
5 participate in auctioning artworks?

6 A. How do you mean that question?

7 Q. Actually in its broadest sense.
8 Did you participate in any way or were you
9 involved in any way of the auctioning of
10 artworks?

11 A. Well, as a business manager I was
12 involved in the department's creation of a sale
13 and managing that sale and putting that sale on;
14 so yes, if you mean it in the broadest sense.

15 Q. That would be in connection with
16 your work in marketing, correct, that you headed
17 the marketing department for Sotheby's and you
18 would have to know something about the auction
19 that was going to be held in order to market it,
20 correct?

21 A. Well, that too; but I was referring
22 to my experience before that as a business
23 manager where I actually sat in the expert
24 department and worked with them as they were
25 putting the sale together for auction.

1 Michael Plummer
2 Q. So that would have been your
3 initial work at Sotheby's, correct?

4 A. That would have been my second job
5 at Sotheby's.

6 Q. As the business manager, I see.
7 What was your first job at Sotheby's?

8 A. Account manager.

9 Q. Account manager, okay. In
10 connection with your work as a business
11 manager -- well, I think we got that on
12 testimony already so I won't go over it again.

13 Other than that work that you just
14 described, your work as a business manager, and
15 also the marketing work that you described; was
16 there any other work that you did, again in its
17 broadest sense, that would put you in
18 participation with the auctioning of artworks?

19 A. The business manager job, yes, and
20 the marketing position; and then I left
21 Sotheby's after that. Then at Christie's I was
22 not involved in the auctioning of works of art.

23 Q. The experience you did have at
24 Sotheby's that you just referred to, did it ever
25 involve the auctioning of an entire collection

1 Michael Plummer
2 of a museum, for example?

3 A. No, I don't believe that such an
4 event has ever happened.

5 Q. Did it ever involve the auctioning
6 of a portion of a collection say the size of the
7 1,700 works of art that Christie's appraised for
8 the DIA?

9 A. There were various large
10 collections, I can't remember now what they
11 were, but some very large ones that came
12 through. For example, I was involved in the
13 Jackie Onassis sale.

14 Q. How many works of art did that
15 involve?

16 A. I can't remember, but it was a
17 large collection and I wrote the marketing plan
18 for that and also designed the catalog cover for
19 it.

20 Q. Have you ever prior to this
21 occasion where you have been retained as an
22 expert, have you ever been retained as an expert
23 witness in any other case?

24 A. No.

25 Q. Other than the expert report that

1 Michael Plummer
2 you prepared in connection with this Chapter 9
3 proceeding that we're here on today, have you
4 ever prepared an expert report for any other
5 case?

6 A. No.

7 Q. Other than the testimony you're
8 giving here today, have you ever given testimony
9 or proposed to give testimony as an expert in
10 any other case?

11 A. No. I was engaged about the time
12 of this engagement to be an expert witness, but
13 that has not taken place yet.

14 Q. That's in another litigation?

15 A. Another litigation unrelated to
16 this.

17 Q. What is the subject matter of that
18 case?

19 A. It's a tax-related estate issue.

20 Q. And you haven't prepared a report
21 in that case yet?

22 A. Nothing has happened yet.

23 Q. In connection with this matter have
24 you been told that you will be requested to act
25 as a witness in connection with the planned

1 Michael Plummer
 2 confirmation trial that's currently set to take
 3 place in Detroit, I believe it's starting now
 4 around August 21st?
 5 A. Yes.
 6 Q. We'll go through that in a
 7 different fashion to see if we can get it
 8 quicker.
 9 Who have you spoken to regarding
 10 your potential testimony in this matter, this
 11 Chapter 9 proceeding?
 12 A. What do you mean by spoken to about
 13 my potential testimony?
 14 Q. Who have you spoken to about the
 15 fact that you're acting as an expert, or hoping
 16 to act as an expert, and that you might be
 17 testifying in this matter?
 18 A. Well, I guess numerous people
 19 because it's a matter of public record now and
 20 I've been asked about it, but I don't comment on
 21 it.
 22 Q. So the numerous people who have
 23 approached you, who have you spoken to?
 24 A. Well, they have asked me questions
 25 and I don't talk about it, I just refer them to

1 Michael Plummer
 2 my report.
 3 Q. You're talking about like
 4 journalists or somebody who are calling you up
 5 and asking you about --
 6 A. Or friends, family, that sort of
 7 thing.
 8 Q. So you've certainly spoken with
 9 Mr. Irwin, correct?
 10 A. Yes.
 11 Q. And with counsel in his office?
 12 A. Yes.
 13 Q. With Mr. Levin and maybe his
 14 colleagues?
 15 A. Correct.
 16 Q. Have you spoken with Mr. O'Reilly?
 17 A. Yes.
 18 Q. Have you spoken with anyone at the
 19 DIA?
 20 A. No.
 21 Q. Other than the counsel that I've
 22 already mentioned, the attorneys that I've
 23 already mentioned; have you spoken with anybody
 24 else?
 25 A. No.

1 Michael Plummer
 2 Q. Can you tell me when you were
 3 retained as an expert witness?
 4 A. It was around May 20th something.
 5 Q. Of 2014?
 6 A. 2014, yeah.
 7 Q. Who initially contacted you
 8 regarding your retention as an expert?
 9 A. Rich Levin.
 10 Q. Have you had previous dealings with
 11 Mr. Levin?
 12 A. Well, we had spoken about this at
 13 some period before that as a possibility for it,
 14 but nothing had materialized until May.
 15 Q. What was the nature of your
 16 assignment as explained to you by either the
 17 City or the DIA?
 18 A. It's listed in my report, there are
 19 four main bullets. I wouldn't want to do it
 20 from memory since it's actually in the report.
 21 Q. You can actually have a copy of
 22 that report. I think it's actually going to be
 23 our next exhibit so why don't we go ahead and
 24 mark it. We give nothing but open book exams
 25 here.

1 Michael Plummer
 2 A. That's good. While we're doing
 3 that may I have another quick break?
 4 Q. Absolutely.
 5 THE VIDEOGRAPHER: The time is
 6 11:14 a.m., and we're going off the record.
 7 (Off the record)
 8 (Plummer Exhibit 2, Expert Witness
 9 Report of Michael Plummer, marked for
 10 identification.)
 11 THE VIDEOGRAPHER: The time is
 12 11:26 a.m., and we're back on the record.
 13 BY MR. SOTO:
 14 Q. Mr. Plummer, I have handed you what
 15 we have marked as Exhibit 2 to this deposition.
 16 A. Yes.
 17 Q. Are you familiar with that?
 18 A. Yes, I am.
 19 Q. Take a moment to review it. I will
 20 ask you is this the report that you have
 21 submitted as an expert witness in the City of
 22 Detroit Chapter 9 proceeding?
 23 A. Yes, it is.
 24 Q. Now, we were just about to ask
 25 about it and I told you it would be open book.

1 Michael Plummer
2 You mentioned -- when I asked you what the
3 nature of your assignment was as it was
4 explained to you, you were referring to
5 something in your report, what was that?

6 A. That was the list on page 4, number
7 2, that counsel had asked me to form an opinion
8 with respect to the following:

9 "The indicative value of the works
10 in the DIA collection. The feasibility and
11 likely effects on the market and value
12 realization of a sale of the DIA collection
13 under a variety of market and sale conditions.
14 Creditor-proposed sales of the DIA's collection,
15 including analysis of certain third-party
16 indications of interest.

17 "Monetization alternatives
18 described in Christie's report to the City of
19 Detroit, and infirmities in any rebuttal expert
20 reports, which I will address in any
21 supplemental report as necessary."

22 Q. What is your compensation
23 arrangement for providing testimony of those
24 topics?

25 A. It was \$112,500 for the report and

1 Michael Plummer
2 July 8th when this report is dated, is that the
3 amount of time it took?

4 A. Yes.

5 Q. You completed it just at the nick
6 of time and handed it in on July 8th?

7 A. Yeah, we handed it in on July 8th
8 and we worked pretty much around the clock to
9 get it done.

10 Q. Right up to the deadline?

11 A. Yeah.

12 Q. So on page 48, paragraph 79 A, you
13 state, I'll read it for you slowly:

14 "The indicative value of the works
15 in the DIA Collection at a gross valuation,
16 without any deduction for the value of the works
17 that are ultimately determined not to be subject
18 to sale, whether for legal or other reasons, and
19 before the application of discount factors
20 related to general market conditions or issues
21 specific to the DIA collection as a mid estimate
22 of \$3,684,466,069 and a low estimate of
23 \$2,760,978,432."

24 Did I read that correctly?

25 A. Yes.

1 Michael Plummer
2 6,000 per day for testimony and deposition, or
3 \$3,500 for a half day.

4 Q. We're not going to have to worry
5 about the half day, so we'll just keep going.
6 I'll try to get it done today, I think I'm under
7 a 17-hour limit again.

8 Do you know of anyone else from
9 Artvest who's going to be asked to testify?

10 A. No.

11 Q. Let me ask you then to look at page
12 48 of Exhibit 2. It starts at the top of the
13 page with "Conclusion," do you see that?

14 A. Um-hum.

15 Q. So we're on the same page. Is that
16 your signature at the bottom of that page?

17 A. It is.

18 Q. Can you tell me how long it took
19 you to put together this expert report. You
20 said you were retained in May, when did you
21 start working on the report?

22 A. We probably started doing
23 preparatory work in I would say the middle of
24 May.

25 Q. From the middle of May through

1 Michael Plummer
2 Q. What was the high estimate?

3 A. The high estimate is in the report.
4 The high estimate was \$4,607,953,704 on page 19
5 of the report.

6 Q. Page 19?

7 A. Page 19.

8 Q. Let me turn there and catch up to
9 you. So under Table 2, under "Total DIA
10 Collection" at the bottom, the column high
11 estimate, the final number going down the column
12 is \$4,607,953,704. That's the highest of it,
13 correct?

14 A. Correct.

15 Q. Have you done all the required work
16 that you think was required to reach the
17 opinions you reached in this case?

18 A. Yes.

19 Q. Or, asked another way, you have no
20 more work you think you need to do in order to
21 support these opinions, correct?

22 A. Correct.

23 Q. Is there any work that you wanted
24 to do, but you were unable to do before
25 rendering these opinions?

<p style="text-align: right;">Page 101</p> <p>1 Michael Plummer</p> <p>2 A. No.</p> <p>3 Q. On page 48, in paragraph 79 B, you</p> <p>4 state:</p> <p>5 "The feasibility and likely effects</p> <p>6 of and on the market and value realization of a</p> <p>7 sale of the DIA collection under a variety of</p> <p>8 market and sale conditions: After the</p> <p>9 application of various discount factors related</p> <p>10 to these conditions, the range of value the DIA</p> <p>11 collection will sell for, without any deduction</p> <p>12 for the value of the works that are ultimately</p> <p>13 determined not to be subject to sale, will be</p> <p>14 between \$1.1 billion for the present value of an</p> <p>15 orderly liquidation after allowing" is that of?</p> <p>16 A. Of.</p> <p>17 Q. "Of an orderly liquidation after</p> <p>18 allowing for the likely delay of litigation to</p> <p>19 \$1.8 billion in the highest value scenario, with</p> <p>20 no litigation and an orderly selling plan." Do</p> <p>21 you see that?</p> <p>22 A. Yes.</p> <p>23 Q. Have you done all the work required</p> <p>24 to reach this opinion in this case?</p> <p>25 A. Yes.</p>	<p style="text-align: right;">Page 103</p> <p>1 Michael Plummer</p> <p>2 A. I don't believe so.</p> <p>3 Q. The same page, 48 this time,</p> <p>4 paragraph 79 D. Do you see it there?</p> <p>5 A. Yes.</p> <p>6 Q. You state, and I'm quoting you:</p> <p>7 "Creditor-proposed sales of the</p> <p>8 DIA's collection, including analysis of certain</p> <p>9 third-party indications of interest: They are</p> <p>10 either not plausible or not likely to net the</p> <p>11 dollar values quoted."</p> <p>12 Do you see that?</p> <p>13 A. Yes.</p> <p>14 Q. Have you done all the work</p> <p>15 required, at least that you think is required,</p> <p>16 to reach this opinion in this case?</p> <p>17 A. Yes.</p> <p>18 Q. Is there any other work that</p> <p>19 remains undone or that you think is necessary to</p> <p>20 support that opinion?</p> <p>21 A. No.</p> <p>22 Q. Let's begin by discussing the</p> <p>23 appraisal process that you went through in order</p> <p>24 to arrive at these opinions.</p> <p>25 When did your team begin appraising</p>
<p style="text-align: right;">Page 102</p> <p>1 Michael Plummer</p> <p>2 Q. Is there any work that remains</p> <p>3 undone or that you think is necessary to support</p> <p>4 that opinion?</p> <p>5 A. No.</p> <p>6 Q. On page 48, this time paragraph 79</p> <p>7 C, we'll take a look at that. You state, and I</p> <p>8 quote:</p> <p>9 "My review of the practicality and</p> <p>10 reasonableness of the monetization alternatives</p> <p>11 described in Christie's preliminary report to</p> <p>12 the City of Detroit: They do not have a</p> <p>13 reasonable expectation of either raising</p> <p>14 meaningful money or exceeding even the \$100</p> <p>15 million the DIA has already committed as its</p> <p>16 contribution to the Grand Bargain." Do you see</p> <p>17 that?</p> <p>18 A. Yes.</p> <p>19 Q. Again, have you done all the work</p> <p>20 required, as far as you are concerned, to reach</p> <p>21 this opinion in this case?</p> <p>22 A. Yes.</p> <p>23 Q. Is there any other work that you</p> <p>24 think you would need to do in order to support</p> <p>25 that opinion?</p>	<p style="text-align: right;">Page 104</p> <p>1 Michael Plummer</p> <p>2 the art at the DIA that is the subject of this</p> <p>3 expert opinion?</p> <p>4 A. We began pulling comparables in</p> <p>5 May, so the process began in May.</p> <p>6 Q. How long did it take to complete</p> <p>7 the appraisal?</p> <p>8 A. Up until the week before, the first</p> <p>9 week -- up through the first week of July.</p> <p>10 Wait. Excuse me, you referred to</p> <p>11 it as an appraisal, we referred to it as a</p> <p>12 valuation.</p> <p>13 Q. Let's go back and ask the first</p> <p>14 question again that I asked when you began</p> <p>15 appraising the art; that would still be in May?</p> <p>16 A. We began evaluating the collection</p> <p>17 in May.</p> <p>18 Q. You don't refer to it as an</p> <p>19 appraisal?</p> <p>20 A. No.</p> <p>21 Q. Why not?</p> <p>22 A. Because we consider it an</p> <p>23 evaluation of the value of the collection.</p> <p>24 Q. How do you distinguish that from an</p> <p>25 appraisal of the value of the collection?</p>

26 (Pages 101 to 104)

<p style="text-align: right;">Page 105</p> <p>1 Michael Plummer</p> <p>2 A. Because we consider factors that</p> <p>3 are typically not considered in an appraisal,</p> <p>4 such as market conditions, which we think are</p> <p>5 critical to setting a value for this collection.</p> <p>6 Q. Will you tell the Court what</p> <p>7 factors you are considering in an evaluation</p> <p>8 that you believe are not considered in an</p> <p>9 appraisal?</p> <p>10 A. We are considering the impact of</p> <p>11 unsold rates. We are considering the</p> <p>12 overheatedness of the Contemporary market. We</p> <p>13 are considering the malaise, for lack of a</p> <p>14 better word, in the American Art sector. We are</p> <p>15 considering the issues in the Old Masters sector</p> <p>16 which is not a malaise, it's a cooler sector.</p> <p>17 We are considering the differences</p> <p>18 between the activity in the Impressionist and</p> <p>19 Modern sector versus the Contemporary sector.</p> <p>20 We're also considering the impact of litigation</p> <p>21 and the delays based on other examples of that</p> <p>22 litigation in terms of liquidating the property,</p> <p>23 because it can't be sold with clear title.</p> <p>24 We're considering the impact of taint which we</p> <p>25 consider to be significant, most especially in</p>	<p style="text-align: right;">Page 107</p> <p>1 Michael Plummer</p> <p>2 Q. What are you referring to there?</p> <p>3 A. That market has become very hot and</p> <p>4 is showing -- a number of people active in the</p> <p>5 market such as myself are beginning to have</p> <p>6 concerns about the stability of this market when</p> <p>7 it is so heated as it is, and given its</p> <p>8 volatility and the fact that it has crashed in</p> <p>9 the past, as recently as 2008.</p> <p>10 Q. So in connection with your concern</p> <p>11 or application of factors of unsold rates, did</p> <p>12 you have a particular source that you were</p> <p>13 referring to that you utilized in determining</p> <p>14 how that unsold rate factor would apply to the</p> <p>15 collection that you analyzed at the DIA?</p> <p>16 A. We used publicly available</p> <p>17 information based on Sotheby's and Christie's</p> <p>18 sales, on their unsold rates.</p> <p>19 Q. Anything else?</p> <p>20 A. No.</p> <p>21 Q. In connection with the</p> <p>22 overheatedness, which you particularly mentioned</p> <p>23 the Contemporary Art sector?</p> <p>24 A. Right.</p> <p>25 Q. What did you rely on in coming to</p>
<p style="text-align: right;">Page 106</p> <p>1 Michael Plummer</p> <p>2 the American sector.</p> <p>3 We think all of these are critical</p> <p>4 considerations in establishing a value for the</p> <p>5 liquidation, if there were to be a liquidation,</p> <p>6 of the DIA collection.</p> <p>7 Q. So these are all factors that you</p> <p>8 believe you considered that would not be</p> <p>9 considered in an appraisal of the art, correct?</p> <p>10 A. Correct.</p> <p>11 Q. So unsold rates, what does that</p> <p>12 mean?</p> <p>13 A. Unsold rate was what I was</p> <p>14 referring to earlier as BI property, which is</p> <p>15 property that does not sell. In certain of the</p> <p>16 sectors where, and particularly Old Masters</p> <p>17 where the DIA has a very high concentration of</p> <p>18 property, our subject are very high BI rates,</p> <p>19 unsold rates.</p> <p>20 Q. That's what you were referring to</p> <p>21 earlier in terms of unsold rates?</p> <p>22 A. Yes.</p> <p>23 Q. The next factor you mentioned was</p> <p>24 overheatedness in contemporary art?</p> <p>25 A. Yes.</p>	<p style="text-align: right;">Page 108</p> <p>1 Michael Plummer</p> <p>2 those conclusions and making that analysis?</p> <p>3 A. Our own internal analysis over the</p> <p>4 last several years of --</p> <p>5 MR. O'REILLY: Why don't we break</p> <p>6 for a moment?</p> <p>7 MR. SOTO: I don't need to.</p> <p>8 They're going to finish that and they will be</p> <p>9 out of here in 5 minutes.</p> <p>10 MR. O'REILLY: That's fine, you're</p> <p>11 going to have a lot of noise on the video. If</p> <p>12 you're okay with that.</p> <p>13 BY MR. SOTO:</p> <p>14 Q. It's up to you, are you being</p> <p>15 distracted or are you okay?</p> <p>16 A. Okay.</p> <p>17 Q. Let's go.</p> <p>18 A. We used our own internal data</p> <p>19 generally comparing and our own watching of the</p> <p>20 sales which we do, sales results on a regular</p> <p>21 basis, and in particular comparing how sales are</p> <p>22 doing, auction sales are doing relative to their</p> <p>23 estimates, and the sell-through rates or unsold</p> <p>24 rates in that area as well.</p> <p>25 As well as follow various press</p>

27 (Pages 105 to 108)

<p style="text-align: right;">Page 109</p> <p>1 Michael Plummer</p> <p>2 accounts and anecdotal accounts that we have and</p> <p>3 discussions with dealers that represent the</p> <p>4 trade and their art specialties.</p> <p>5 Q. The overheatedness unsold rates,</p> <p>6 would those be the same kinds of publicly</p> <p>7 available unsold information that you referred</p> <p>8 to earlier?</p> <p>9 A. Yes.</p> <p>10 Q. So it would be the publicly</p> <p>11 available unsold information listed on the</p> <p>12 Contemporary Art sector, correct?</p> <p>13 A. Yes.</p> <p>14 Q. What about the malaise in American</p> <p>15 Art, what are you referring to there?</p> <p>16 A. I'm referring to the fact that the</p> <p>17 American Art sector has not recovered from the</p> <p>18 2008 crash, it's at its highs in the spring of</p> <p>19 2008. Let me add also that in the American Art</p> <p>20 sector, as well as in the other sectors, we look</p> <p>21 at art indices as well.</p> <p>22 Q. Anything else?</p> <p>23 A. At the moment I can't think of</p> <p>24 anything else.</p> <p>25 MR. SOTO: They're going to bring</p>	<p style="text-align: right;">Page 111</p> <p>1 Michael Plummer</p> <p>2 Q. What did you mean by that?</p> <p>3 A. By issues I meant that there is --</p> <p>4 that that market is losing collectors, that it</p> <p>5 has a high unsold rate and it has a problem with</p> <p>6 supply.</p> <p>7 Q. What is that problem?</p> <p>8 A. It's had an uneven supply of good</p> <p>9 property over the years, and there is a lot of</p> <p>10 mediocre material in the market. That, in</p> <p>11 addition to the fact that collectors are</p> <p>12 defecting to -- and this affects the American</p> <p>13 market as well and to some extent the</p> <p>14 Impressionist and Modern market, collectors are</p> <p>15 defecting en mass to the Contemporary sectors.</p> <p>16 Or, in other words, young</p> <p>17 collectors are going into Contemporary. Very</p> <p>18 few young collectors are moving into these other</p> <p>19 sectors, so they're dying out.</p> <p>20 Q. So when you say "uneven supply"</p> <p>21 that would mean not enough or too many?</p> <p>22 A. It means that it's not enough</p> <p>23 quality. But even if you were to have good</p> <p>24 quality you still have the problem of not enough</p> <p>25 collectors, so it's a two-sided problem.</p>
<p style="text-align: right;">Page 110</p> <p>1 Michael Plummer</p> <p>2 the food in, let's take a break.</p> <p>3 THE VIDEOGRAPHER: The time is</p> <p>4 11:45 a.m., we're going off the record.</p> <p>5 (Off the record)</p> <p>6 THE VIDEOGRAPHER: The time is</p> <p>7 11:52 a.m., and we're back on the record.</p> <p>8 BY MR. SOTO:</p> <p>9 Q. Thank you for your patience here.</p> <p>10 I think you had discussed the third factor that</p> <p>11 you mentioned that you took into account which</p> <p>12 was the malaise and American Art, correct?</p> <p>13 A. Correct.</p> <p>14 Q. Anything more on that issue?</p> <p>15 A. Yes, there's one more thing is that</p> <p>16 in all of these sectors we have business</p> <p>17 dealings and clients and firsthand experience of</p> <p>18 sales, sales that are easy, sales that are hard,</p> <p>19 so that's also important in our reading of the</p> <p>20 market.</p> <p>21 Q. The next thing you mentioned,</p> <p>22 factor 4, was the issues in the Old Masters</p> <p>23 sector which you mentioned the DIA has a large</p> <p>24 collection of, is that correct?</p> <p>25 A. Yes.</p>	<p style="text-align: right;">Page 112</p> <p>1 Michael Plummer</p> <p>2 Q. So that even if the work of the Old</p> <p>3 Masters that is part of the collection at the</p> <p>4 DIA is good quality, your point is --</p> <p>5 A. There aren't enough collectors out</p> <p>6 there to absorb that volume of property.</p> <p>7 Q. The next one you mentioned was</p> <p>8 different Impressionist -- the differences</p> <p>9 between the Impressionist and Modern sector</p> <p>10 versus the Contemporary sector?</p> <p>11 A. Correct.</p> <p>12 Q. What did you mean by that?</p> <p>13 A. I have some examples in my report.</p> <p>14 The Impressionist sector, there have been good</p> <p>15 quality paintings that have come on the market</p> <p>16 that have disappointed in their results.</p> <p>17 Whereas, if the same caliber of</p> <p>18 work had come on the market in the Post War --</p> <p>19 or when the same caliber of art has come on the</p> <p>20 market in the Post War sector it does far better</p> <p>21 and it sometimes even exceeds the estimates.</p> <p>22 Whereas, the others tend to fall short of the</p> <p>23 estimates.</p> <p>24 Q. When you say Contemporary you also</p> <p>25 used the phrase Post War, do you mean the same</p>

28 (Pages 109 to 112)

<p style="text-align: right;">Page 113</p> <p>1 Michael Plummer 2 in both? 3 A. They are often used 4 interchangeably. Sotheby's uses only the term 5 Contemporary, Christie's uses Post War and 6 Contemporary. I've fallen into the habit of 7 referring to them somewhat interchangeably 8 because I've worked at both houses. 9 Q. In connection with your analysis of 10 the malaise of the American Art that you 11 referred to earlier, I believe you mentioned all 12 of the factors that you relied on, but you 13 didn't with respect to issues on Old Masters. 14 Is there anything that you relied 15 on for your analysis? 16 A. The same for all the others. I 17 relied on the same factors for all of the 18 sectors. 19 Q. Those would be your knowledge 20 through conversations with people in the art 21 industry, correct? 22 A. Right. 23 Q. Would they also be your knowledge 24 of comparable sales? 25 A. Yes.</p>	<p style="text-align: right;">Page 115</p> <p>1 Michael Plummer 2 A. Well, this is an issue we've gone 3 on record with the auction houses with in the 4 past. Beginning in the downturn of the '90s, 5 Sotheby's took a policy and Christie's soon 6 followed, that because the sales results were 7 looking anemic they decided to start posting the 8 sales results with the buyer's premium and 9 comparing them to the estimates, low and high 10 estimates for the sale which don't include 11 buyer's premium. So in essence they're goosing 12 up their results. 13 So when we do our analysis we go 14 back and manually extract the buyer's premium 15 when making comparisons against low and high 16 estimates so that we gather more accurate 17 results. 18 There are many sales that in the 19 press look like they've come in between the low 20 and high estimates, when in reality they will 21 have fallen short of the low estimate because 22 that buyer's premium is creating this 23 distortion. 24 Q. What is the buyer's premium? I had 25 about an hour conversation about this in our</p>
<p style="text-align: right;">Page 114</p> <p>1 Michael Plummer 2 Q. Would it also be your knowledge of 3 more recent sales that you get through private 4 knowledge? 5 A. Yes. Indices, auctions performance 6 against their estimates; all of the things that 7 I've listed previously for all the other 8 sectors. 9 Q. The indices and the auction 10 performance, those are publicly available 11 information, correct? 12 A. Well, the indices you have to pay 13 to use, but if you paid money you can use them. 14 So I guess in essence they are the same. 15 Q. The same with respect to the public 16 information regarding the results of auctions? 17 A. Yes. However, we compile a lot of 18 information manually and have to because there 19 is a manner in which the auction houses report 20 their information which distorts it. So we 21 often compile and manually arrange it ourselves 22 so that we can decipher it more accurately than 23 how the auction houses report it. 24 Q. How do the auction houses report it 25 that distorts it?</p>	<p style="text-align: right;">Page 116</p> <p>1 Michael Plummer 2 last deposition and I still don't understand it. 3 A. The buyer's premium, I will try to 4 make it straightforward and simple. The buyer's 5 premium is a commission added on by the auction 6 house, and it's a tiered commission, and they've 7 now muddled with it so much that I don't have it 8 as part of my memory anymore. 9 Up to X number it's say 20 or 10 25 percent; up to X number it's the next 11 increment, it drops down to the next thing like 12 15 percent or something, and then after that 13 over 2 million or some such number it drops down 14 to I believe 12 percent. 15 So it can make a differential 16 depending on the value of the works of somewhere 17 around an average of 13 percent to up as high as 18 25 percent in the return. 19 Q. In a real-life hypothetical example 20 using round numbers, let's assume there was a 21 piece of art or even a collection of art that 22 was valued at \$100 million and it was sold at 23 auction, and assuming there was some tiered 24 commission; there would be commissions as you 25 had described for different tiers. That</p>

29 (Pages 113 to 116)

<p style="text-align: right;">Page 117</p> <p>1 Michael Plummer</p> <p>2 commission is paid by whom?</p> <p>3 A. It's paid by the buyer as part of</p> <p>4 the purchase price.</p> <p>5 Q. So if the purchase price was 100</p> <p>6 million, and just for rounding numbers that are</p> <p>7 simple, and there was going to be a 10 percent</p> <p>8 total commission would the buyer have to pay 110</p> <p>9 million?</p> <p>10 A. Correct.</p> <p>11 Q. So your point is that the auction</p> <p>12 houses started including that additional 10</p> <p>13 million as part of the sale of the value of the</p> <p>14 art, correct?</p> <p>15 A. Which is legitimate, except that</p> <p>16 when they compare it to the pre-sale estimate</p> <p>17 which doesn't include it that's buyer's premium.</p> <p>18 So to use your example, if we said that the</p> <p>19 estimate was 80 to, let's say the estimate was</p> <p>20 100 to 120 million and it sold for 100 million</p> <p>21 and they put on the buyer's premium, it really</p> <p>22 sold at the low estimate, but once they put the</p> <p>23 buyer's premium on they would say it sold in</p> <p>24 between the low and high estimate, which is a</p> <p>25 distortion of the health of the market.</p>	<p style="text-align: right;">Page 119</p> <p>1 Michael Plummer</p> <p>2 Q. Is it typical in the industry that</p> <p>3 it is?</p> <p>4 A. It depends on the sector, the</p> <p>5 desirability of the property, the clout of the</p> <p>6 client, the power of the client's negotiator or</p> <p>7 agent. There are instances when in highly</p> <p>8 desirable situations, and we've written about</p> <p>9 this, a seller gets back part of the buyer's</p> <p>10 premium as a rebate.</p> <p>11 Q. So that the seller's commission is</p> <p>12 lower then, or at least it gets a rebate on</p> <p>13 that, correct?</p> <p>14 A. Well, no. I'm saying that the</p> <p>15 seller's commission might be zero or they might</p> <p>16 get part of the buyer's premium.</p> <p>17 Q. As well?</p> <p>18 A. As well.</p> <p>19 Q. So it would increase the ultimate</p> <p>20 return on the sale?</p> <p>21 A. Correct.</p> <p>22 Q. You mentioned the impact of the</p> <p>23 litigation as another factor you took into</p> <p>24 account?</p> <p>25 A. Yes.</p>
<p style="text-align: right;">Page 118</p> <p>1 Michael Plummer</p> <p>2 Q. Understood, and actually very</p> <p>3 clear, thank you. Just so the Court is aware of</p> <p>4 the process. Part of the process in an auction,</p> <p>5 and using our hypothetical round numbers, would</p> <p>6 be the buyer's premium, the buyer pays that.</p> <p>7 So then there is this hundred</p> <p>8 million. From that hundred million, would that</p> <p>9 go to the seller or would there be other costs</p> <p>10 deducted before it goes back to the seller?</p> <p>11 A. If it were indeed a \$100 million</p> <p>12 item nothing would go back to the house from the</p> <p>13 seller because they would have a fantastic deal.</p> <p>14 But if it were an average item of lower value</p> <p>15 then there would be a seller's commission</p> <p>16 charged as well, again in the 20 percent range</p> <p>17 or higher.</p> <p>18 Q. So the auction house is getting a</p> <p>19 buyer's premium commission from the buyers and</p> <p>20 at the same time would be getting a seller's</p> <p>21 commission from the seller?</p> <p>22 A. Right.</p> <p>23 Q. That could be the equivalent of the</p> <p>24 buyer's commission?</p> <p>25 A. It could be.</p>	<p style="text-align: right;">Page 120</p> <p>1 Michael Plummer</p> <p>2 Q. What resources did you use as the</p> <p>3 basis for that opinion?</p> <p>4 A. I used research into various other</p> <p>5 examples that are mentioned in my report. One</p> <p>6 of the most relevant cases was the Fisk</p> <p>7 Stieglitz collection, which was tied up in Court</p> <p>8 for five years by the Attorney General of the</p> <p>9 state of Tennessee.</p> <p>10 Q. Anything else?</p> <p>11 A. There were some other examples I</p> <p>12 use in the report. I can't remember right now</p> <p>13 what they are, but they're outlined in the</p> <p>14 report.</p> <p>15 Q. Other than the examples in the</p> <p>16 report, was there anything else that you relied</p> <p>17 on?</p> <p>18 A. I don't believe so, other than what</p> <p>19 is in the report and what materials are</p> <p>20 referenced in the report.</p> <p>21 Q. Have you had personal experience in</p> <p>22 being part of a sale of a collection of art that</p> <p>23 was held up in litigation?</p> <p>24 A. No, but I am familiar with the</p> <p>25 importance of clear title in the selling of art</p>

30 (Pages 117 to 120)

<p style="text-align: right;">Page 121</p> <p>1 Michael Plummer</p> <p>2 at auction and the problems that result. I am</p> <p>3 very sensitive to that issue and aware of its</p> <p>4 relevance.</p> <p>5 Q. In connection with applying this</p> <p>6 factor, did you do any research regarding the</p> <p>7 title of the art at the DIA?</p> <p>8 A. It was in the data that was given</p> <p>9 to me by the DIA which is outlined in the</p> <p>10 report, the donors were listed with the items.</p> <p>11 Q. In addition to the donors being</p> <p>12 listed, was there any information regarding the</p> <p>13 transferability and alienability of the art?</p> <p>14 A. I did not research that.</p> <p>15 Q. So in connection with your opinion</p> <p>16 regarding the impact of that litigation, you</p> <p>17 were assuming, for purposes of this opinion,</p> <p>18 that there might be some concern regarding the</p> <p>19 alienation of this art or the transferability of</p> <p>20 this art, and as such you're applying that</p> <p>21 factor, correct?</p> <p>22 A. I would say that it's more than an</p> <p>23 assumption. I am fairly, certain based on my</p> <p>24 experience in the art market, that there will be</p> <p>25 litigation to stop the sale of art that has been</p>	<p style="text-align: right;">Page 123</p> <p>1 Michael Plummer</p> <p>2 lower their value and/or lower their ability to</p> <p>3 be sold, and that a number of collectors will</p> <p>4 boycott sales.</p> <p>5 There's a practical matter that</p> <p>6 most collectors in America or around the world,</p> <p>7 but particularly in America, are on boards of</p> <p>8 directors -- are on the boards of other</p> <p>9 institutions, and it is hard to imagine many of</p> <p>10 those people bidding publicly or having agents</p> <p>11 bid on their behalf for works of art from the</p> <p>12 DIA, and not then have backlash within the</p> <p>13 institutions which they are supporting.</p> <p>14 Q. Did you do any formal analysis in</p> <p>15 the form of any kind of a survey or attempt to</p> <p>16 do something of a -- some type of analysis of a</p> <p>17 review of various institutions or collectors to</p> <p>18 come to this conclusion?</p> <p>19 A. No, I did not do a survey; but I</p> <p>20 certainly had many collectors and others who</p> <p>21 serve as collectors expressing those comments</p> <p>22 and those feelings.</p> <p>23 Q. How many anecdotal expressions</p> <p>24 would you --</p> <p>25 A. Well --</p>
<p style="text-align: right;">Page 122</p> <p>1 Michael Plummer</p> <p>2 gifted to the museum.</p> <p>3 I should add in addition, I also in</p> <p>4 the course of researching this report did speak</p> <p>5 to various museum professionals on other matters</p> <p>6 such as the art lending and that sort of thing,</p> <p>7 and such issues came up in those conversations</p> <p>8 as well.</p> <p>9 Q. When you say the museum</p> <p>10 professionals, you're talking about</p> <p>11 professionals at the DIA?</p> <p>12 A. No, at other museums.</p> <p>13 Q. In connection with your certainty</p> <p>14 that there would be litigation regarding the</p> <p>15 transfer of any of this art, did you talk to</p> <p>16 anybody at the DIA?</p> <p>17 A. No.</p> <p>18 Q. The next thing you mentioned was</p> <p>19 the impact of taint in the American sector.</p> <p>20 What does that mean?</p> <p>21 A. I think that the sale of -- and I</p> <p>22 address this in several locations in my report,</p> <p>23 the sale of the collection of the DIA will be</p> <p>24 highly criticized and create an aura around</p> <p>25 works from the DIA and their sale that will</p>	<p style="text-align: right;">Page 124</p> <p>1 Michael Plummer</p> <p>2 Q. Excuse me. How many anecdotal</p> <p>3 expressions like that would you say you</p> <p>4 obtained?</p> <p>5 A. 20 to 30.</p> <p>6 Q. Go on, you were going to say</p> <p>7 something.</p> <p>8 A. What was I going to say.</p> <p>9 MR. IRWIN: That's why you started</p> <p>10 your question.</p> <p>11 MR. SOTO: I did not.</p> <p>12 MR. IRWIN: You were talking about</p> <p>13 conversations you had.</p> <p>14 A. Oh, yes. Also, one of my</p> <p>15 consulting specialists worked on the Larry</p> <p>16 Salander bankruptcy and she is responsible for</p> <p>17 liquidating that collection. Her own experience</p> <p>18 with the Larry Salander property is that it has</p> <p>19 a taint about it, and particularly around the</p> <p>20 high end it's difficult to sell.</p> <p>21 There is a general problem in the</p> <p>22 art market when there is -- when something sort</p> <p>23 of has a bad aura around, it can actually affect</p> <p>24 price and salability.</p> <p>25 Q. I'm not familiar with the Larry</p>

31 (Pages 121 to 124)

<p style="text-align: right;">Page 125</p> <p>1 Michael Plummer</p> <p>2 Salander situation that you're referring to.</p> <p>3 What was the bad aura there?</p> <p>4 A. Larry Salander is a bankruptcy case</p> <p>5 of which there is a lot of public information</p> <p>6 on. He had a large collection of property, I</p> <p>7 think about 4,000 items, in most of the Old</p> <p>8 Masters and 19th Century sectors.</p> <p>9 Larry had enormous amounts of</p> <p>10 property on consignment and he went bankrupt,</p> <p>11 and he owed a lot of consigners money and it was</p> <p>12 a very messy case. He I believe is in jail</p> <p>13 because of it, there were criminal proceedings</p> <p>14 against him.</p> <p>15 Q. You don't expect that anyone in the</p> <p>16 DIA is going to go to jail in connection with</p> <p>17 this bankruptcy, do you?</p> <p>18 A. I was not expecting that.</p> <p>19 Q. Nobody at the DIA has put their art</p> <p>20 on consignment as far as you know, have they?</p> <p>21 A. I don't know.</p> <p>22 Q. In connection with these seven</p> <p>23 factors that we've gone through, do you start</p> <p>24 with a basic appraised value and then apply</p> <p>25 these seven factors as an additional factor in</p>	<p style="text-align: right;">Page 127</p> <p>1 Michael Plummer</p> <p>2 Christie's appraisal and then did a calculation</p> <p>3 to estimate the value of the remainder of the</p> <p>4 collection, and added those numbers together to</p> <p>5 come to an indicative value of the collection on</p> <p>6 which I based the other rest of the analysis.</p> <p>7 Q. I think that might answer my</p> <p>8 question indirectly, but let me make sure. So</p> <p>9 you certainly created, as your report says, what</p> <p>10 you termed the fair market value analysis of the</p> <p>11 top 400 works of art, and you did that by</p> <p>12 looking to see if there were any comparables,</p> <p>13 correct?</p> <p>14 A. Right.</p> <p>15 Q. You were looking for public data</p> <p>16 that would otherwise tell you something about</p> <p>17 the value?</p> <p>18 A. Right.</p> <p>19 Q. Then after you came to some sense</p> <p>20 of that value you also then applied these seven</p> <p>21 factors that you just referred to?</p> <p>22 A. Yes, but we also looked at the art.</p> <p>23 We visited the museum and looked at the art</p> <p>24 which was an important factor.</p> <p>25 Q. For all 400 pieces?</p>
<p style="text-align: right;">Page 126</p> <p>1 Michael Plummer</p> <p>2 what you're referring to as an evaluation</p> <p>3 instead of an appraisal?</p> <p>4 A. Could you ask that question again,</p> <p>5 please?</p> <p>6 Q. I had asked you if you had done an</p> <p>7 appraisal and you said no, we did an evaluation?</p> <p>8 A. Right.</p> <p>9 Q. You gave me the seven factors as</p> <p>10 factors that you think are part of an evaluation</p> <p>11 that are not typically part of an appraisal,</p> <p>12 right?</p> <p>13 A. Correct.</p> <p>14 Q. What I'm asking is -- I understand</p> <p>15 your view on those seven factors. My next</p> <p>16 question is do you also do an appraisal to begin</p> <p>17 to understand the value of a piece of art and</p> <p>18 then apply these additional factors?</p> <p>19 A. I want to be careful about</p> <p>20 terminology here because I think it can trip us</p> <p>21 up. I created a fair market value by using</p> <p>22 comparables, which is the industry standard</p> <p>23 practice, on the -- which is outlined in the</p> <p>24 report on the top 400 some works of art.</p> <p>25 Then I combined that with the</p>	<p style="text-align: right;">Page 128</p> <p>1 Michael Plummer</p> <p>2 A. For most of the 400 pieces. There</p> <p>3 were some that were not available to be seen,</p> <p>4 but as many as we could.</p> <p>5 Q. About 390 plus?</p> <p>6 A. I don't remember the exact number,</p> <p>7 but a substantial percentage of them.</p> <p>8 Q. Would it be over half of it?</p> <p>9 A. Well over half of it.</p> <p>10 Q. So would it be close to maybe</p> <p>11 75 percent of it?</p> <p>12 A. I would say 75 percent is a fair</p> <p>13 guesstimate.</p> <p>14 Q. Let's assume you looked at</p> <p>15 300 pieces of art, you did the comparables; in</p> <p>16 addition to that you got other publicly</p> <p>17 available data regarding the value of the art?</p> <p>18 A. Right.</p> <p>19 Q. You got publicly available data</p> <p>20 regarding the market for that art?</p> <p>21 A. Right.</p> <p>22 Q. That's the beginning step. You</p> <p>23 would then apply these additional seven factors</p> <p>24 if they applied in coming to your valuation?</p> <p>25 A. On a sector-by-sector basis, yes.</p>

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Michael Plummer

Q. And that's why the information that you got on those 400, you could also use the information that Christie's did on its 1,700 works of art, correct? Because it was a fair market value analysis that included comparables and public data, correct?

A. Correct.

Q. And you relied on that data?

A. Yes, I did.

Q. And then having taken Christie's 1,700 pieces of art and your additional 400 pieces, or was it an additional 400 or was it part and parcel of the same?

A. There were some -- we didn't do the same pieces Christie's did, we did not overlap with them.

Q. For example, Christie's did Bruegel?

A. We did not do the Bruegel.

Q. The next thing you did was you took that body of information, 1,700 or 2,100 works of art, and you extrapolate in some way to come to an estimate of the remaining 61,000 pieces of art, correct?

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the rest of the collection that a large part of it had no value.

Q. So you assumed in your estimates that about a third of the remaining 61,000 had no value?

A. We extrapolated that yes, a portion of the remaining collection had no value.

Q. That proportion was consistent with the proportion that Christie's did?

A. Because we felt that the City of Detroit property was a reasonable representative sample of the entire collection.

Q. So in a macro analysis if the City of Detroit collection, if the collection at the DIA has 62,000 pieces, your estimate is that about a third of that or maybe 20 or 21,000 pieces have no value, and that the remaining 40 or 41,000 pieces have value, correct?

A. Roughly. I'll have to defer to my report, to the actual numbers in the report. The proportions are approximately correct.

Q. So that's one of the factors that you used in your extrapolation. That is to say that which was determined to have no value,

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A. Correct. But there's an important bit of data that we haven't discussed which is of the universe of works that Christie's looked at, about a third of it had no value. That's an important data point in extrapolating any kind of value on the collection, that there is a significant part of it that doesn't have value.

Q. Let's again make sure we're comparing apples and apples here. The 1,700 that it did appraise had value?

A. Um-hum.

Q. It was asked to appraise some additional art that it determined with the assistance of the DIA had no value?

MR. O'REILLY: Objection to form.

A. No. I would say that Christie's was given a list of City of Detroit property which was about 3,000 items. Christie's determined that of that list about a third of it had no value.

Q. So about a third of it had no value which left you with 1,700 or so, correct?

A. Correct. The fact that a third of it had no value was irrelevant to extrapolate on

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correct?

A. Correct.

Q. What other factors did you use in your extrapolation?

A. In the extrapolation we used the Christie's data and broke it down by sector, and then used the profile of the property in each Christie's sector and applied that to each of the DIA sectors.

Q. In essence, and again I want to make sure I'm understanding what you're saying; if you looked at the Christie's appraisal of what you call City of Detroit collection, that would include all 3,300 that they were originally asked to look at, correct?

A. Correct.

Q. So you would extrapolate a third of them that had no value. Then you would look at okay, the remaining 1,700, of that remaining 1,700 what was the value of each sector?

A. Right.

Q. And then you would extrapolate that the remaining art in that sector would have that same extrapolation, correct?

<p style="text-align: right;">Page 133</p> <p>1 Michael Plummer</p> <p>2 A. Correct.</p> <p>3 Q. So that's another factor. You have</p> <p>4 the no value factor, you have the value factor</p> <p>5 that you just gave. What other factors?</p> <p>6 A. At the moment I can't recall if I</p> <p>7 did use other factors.</p> <p>8 MR. SOTO: It's about 12:20, why</p> <p>9 don't we break, let everybody have some lunch,</p> <p>10 then maybe you can think of those other factors</p> <p>11 and then we'll buzz on from here.</p> <p>12 A. Can I add on to the record</p> <p>13 something you asked me about. When you asked me</p> <p>14 about other people that I spoke to about the DIA</p> <p>15 and the testimony and the project, it would of</p> <p>16 course have been internally within my own team</p> <p>17 and my consulting specialists. I just want to</p> <p>18 make sure that was on the record.</p> <p>19 Q. Of course, the specialists that you</p> <p>20 referred to in your report?</p> <p>21 A. Right, right.</p> <p>22 Q. Absolutely. I understood that.</p> <p>23 Thank you for correcting that.</p> <p>24 THE VIDEOGRAPHER: The time is</p> <p>25 12:19 p.m., and we're going off the record.</p>	<p style="text-align: right;">Page 135</p> <p>1 Michael Plummer</p> <p>2 called it a fair market valuation.</p> <p>3 Q. Was there anything that you as an</p> <p>4 expert in the industry would consider a step</p> <p>5 that is typical to an appraisal that Artvest or</p> <p>6 its consultants and specialists didn't do on</p> <p>7 those 400 or so pieces that you just testified</p> <p>8 about?</p> <p>9 A. You're asking me if I feel that</p> <p>10 there was something that an appraisal would have</p> <p>11 that we didn't do?</p> <p>12 Q. With respect to those 400 pieces?</p> <p>13 A. I would say that we used industry</p> <p>14 best practices for setting a fair market value</p> <p>15 on those pieces.</p> <p>16 Q. Just to make it clear to the Court.</p> <p>17 As I understood from some prior depositions I've</p> <p>18 been in that you've probably read, there are a</p> <p>19 number of types of appraisals?</p> <p>20 A. Correct.</p> <p>21 Q. In the art industry?</p> <p>22 A. Correct.</p> <p>23 Q. One of them is in fact called the</p> <p>24 fair market value appraisal?</p> <p>25 A. Correct.</p>
<p style="text-align: right;">Page 134</p> <p>1 Michael Plummer</p> <p>2 (Lunch recess taken)</p> <p>3 THE VIDEOGRAPHER: This begins</p> <p>4 media unit number 3, the time is 1:20 p.m., and</p> <p>5 we're back on the record.</p> <p>6 BY MR. SOTO:</p> <p>7 Q. Mr. Plummer, how are you?</p> <p>8 A. I'm fine, thank you.</p> <p>9 Q. So just before the break I had</p> <p>10 asked -- we had begun a series of questions</p> <p>11 about the appraisal process and you corrected me</p> <p>12 and said that you didn't do an appraisal, you</p> <p>13 did an evaluation, correct?</p> <p>14 A. Correct.</p> <p>15 Q. So in connection with the</p> <p>16 evaluation that was done by Artvest that is the</p> <p>17 basis of your -- or at least one of the bases of</p> <p>18 your expert report in the Chapter 9 proceeding</p> <p>19 in Detroit, did Artvest do any appraisals of any</p> <p>20 art at the DIA?</p> <p>21 A. We established a fair market</p> <p>22 valuation of, as I mentioned earlier, several</p> <p>23 hundred, I think it was around 400 or so items</p> <p>24 using comparable pricing, and it was done by</p> <p>25 people who are trained as appraisers, but we</p>	<p style="text-align: right;">Page 136</p> <p>1 Michael Plummer</p> <p>2 Q. The other one is the auction</p> <p>3 estimate appraisal?</p> <p>4 A. Correct.</p> <p>5 Q. In connection with the 400 pieces</p> <p>6 of art that you were referring to just moments</p> <p>7 ago that Artvest analyzed, is it your testimony</p> <p>8 that on those 400 pieces of art, Artvest</p> <p>9 completed a fair market value appraisal?</p> <p>10 A. We completed a fair market</p> <p>11 valuation.</p> <p>12 Q. So not an appraisal?</p> <p>13 A. We called it a valuation.</p> <p>14 Q. I'm not even concerned about what</p> <p>15 you call it. I'm concerned about whether or not</p> <p>16 we're comparing apples to apples, and when we</p> <p>17 take your 400 pieces of art that you at Artvest</p> <p>18 reviewed and add them to the 1,700 pieces of art</p> <p>19 that Christie's reviewed, which you rely on in</p> <p>20 your report, Christie's described its analysis</p> <p>21 of those 1,700 pieces of art as a fair market</p> <p>22 value appraisal; do you agree with that?</p> <p>23 A. Yes.</p> <p>24 Q. And you reviewed that?</p> <p>25 A. Correct.</p>

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<p style="text-align: right;">Page 137</p> <p>1 Michael Plummer</p> <p>2 Q. You are talking about the</p> <p>3 400 pieces of art that are being evaluated by</p> <p>4 Artvest.</p> <p>5 Is there something that Artvest</p> <p>6 didn't do with those 400 pieces of art that</p> <p>7 would mean that it is not a fair market</p> <p>8 appraisal of those 400 pieces of art?</p> <p>9 A. There's nothing that we didn't do</p> <p>10 that was different from Christie's that would</p> <p>11 make it difficult or impossible to combine those</p> <p>12 two items as similar numbers derived at with</p> <p>13 similar methodologies.</p> <p>14 Q. Then maybe another way of me asking</p> <p>15 this would be so if someone from Christie's</p> <p>16 looked at what you did on those 400 pieces of</p> <p>17 art and looked at what they did on their 1,700</p> <p>18 pieces of art they'd say yeah, that's a fair</p> <p>19 market value appraisal of those 400?</p> <p>20 MR. IRWIN: Form.</p> <p>21 A. I don't know what they would say, I</p> <p>22 can't speculate. I think that they would see</p> <p>23 the logic behind it and say that we used the</p> <p>24 right logic to come up with a fair market value</p> <p>25 on those pieces.</p>	<p style="text-align: right;">Page 139</p> <p>1 Michael Plummer</p> <p>2 Betty was American Art. Sabine was</p> <p>3 Impressionist and Modern Art, Sabine Wilson, and</p> <p>4 Kristin Gary who did Old Master paintings, who's</p> <p>5 also a member of the Appraisers Association of</p> <p>6 America, had worked previously at Colnaghi</p> <p>7 Gallery years ago and is an active dealer and so</p> <p>8 is very aware of current values, as is Sabine as</p> <p>9 well; not a dealer, but very much involved in</p> <p>10 the market.</p> <p>11 Then Joe-Hynn Yang was an expert in</p> <p>12 Asian Art at Sotheby's and Christie's, but also</p> <p>13 has extensive knowledge of the decorative arts</p> <p>14 and three dimensional objects and ancient art,</p> <p>15 and he did the other objects, other</p> <p>16 non-paintings.</p> <p>17 Q. Are any of those individuals, the</p> <p>18 four individuals you've mentioned, Betty, Sabine</p> <p>19 Kristin and Joe-Hynn?</p> <p>20 A. Yes.</p> <p>21 Q. Are they employees of Artvest?</p> <p>22 A. No.</p> <p>23 Q. So they were retained by Artvest to</p> <p>24 do these services?</p> <p>25 A. Correct.</p>
<p style="text-align: right;">Page 138</p> <p>1 Michael Plummer</p> <p>2 Q. In Christie's report, Christie's</p> <p>3 lists the factors that they considered in coming</p> <p>4 up with their appraisal, correct?</p> <p>5 A. Yeah.</p> <p>6 Q. Are there any factors that they</p> <p>7 considered that you did not consider at Artvest</p> <p>8 in coming up with a valuation for the 400 pieces</p> <p>9 of art?</p> <p>10 A. I don't have that list in front of</p> <p>11 me so I can't recall what is exactly on that</p> <p>12 list. To the best of my knowledge, I don't</p> <p>13 believe there is any.</p> <p>14 Q. So who conducted the evaluations as</p> <p>15 you put it, using your term, let's stick with it</p> <p>16 for now.</p> <p>17 Who conducted the evaluations of</p> <p>18 the 400 pieces of art that Artvest did?</p> <p>19 A. Betty Krulik who is President of</p> <p>20 the Appraisals Association and a dealer in</p> <p>21 American Art, who I have a high opinion of and</p> <p>22 most in the industry have a high opinion of.</p> <p>23 Sabine Wilson, who is also a member of the</p> <p>24 Appraisers Association of America and is a very</p> <p>25 talented appraiser.</p>	<p style="text-align: right;">Page 140</p> <p>1 Michael Plummer</p> <p>2 Q. I don't know if you mentioned it as</p> <p>3 to the last one. I know as to Ms. Krulik, Ms.</p> <p>4 Wilson, is it Ms. Gary?</p> <p>5 A. Yes.</p> <p>6 Q. They are members of the American</p> <p>7 Association of Appraisers Or Appraisal</p> <p>8 Association of America, correct?</p> <p>9 A. Correct.</p> <p>10 Q. So they're qualified to do</p> <p>11 appraisals, correct?</p> <p>12 A. Yes.</p> <p>13 Q. Is Joe-Hynn Yang an appraiser?</p> <p>14 A. He is not an appraiser by</p> <p>15 profession, but he has 15 years experience and</p> <p>16 has worked on numerous appraisals for Sotheby's</p> <p>17 and Christie's, and actually worked on the --</p> <p>18 was a critical participant in the driver of the</p> <p>19 Albright-Knox appraisal, which was a museum sale</p> <p>20 that is relevant to this, or irrelevant</p> <p>21 depending on how the circumstances play out.</p> <p>22 Q. You said Albright-Knox?</p> <p>23 A. Albright-Knox, yeah.</p> <p>24 Q. Albright being one name with a</p> <p>25 hyphen?</p>

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<p style="text-align: right;">Page 141</p> <p>1 Michael Plummer</p> <p>2 A. Yeah, it's referenced in the</p> <p>3 report.</p> <p>4 Q. Why do you say that it's relevant</p> <p>5 here?</p> <p>6 A. Well, it's relevant in the</p> <p>7 differences in that sale for the sale of works</p> <p>8 in the DIA collection, because that was a sale</p> <p>9 which was for the replenishment of the</p> <p>10 acquisition funds. So, basically, property was</p> <p>11 being sold to move the museum from one area into</p> <p>12 another and it did very well, versus a sale</p> <p>13 which was done to satisfy debt, such as the</p> <p>14 Delaware Museum which has evidence of not doing</p> <p>15 well; so they're very different animals. Both</p> <p>16 examples are in the report.</p> <p>17 Q. So on the Delaware, the distinction</p> <p>18 you're making is in one it was a de -- is it</p> <p>19 de-accession?</p> <p>20 A. Deaccession.</p> <p>21 Q. The one you're talking about in the</p> <p>22 Albright-Knox, that was a deaccession?</p> <p>23 A. Albright-Knox was a deaccession,</p> <p>24 yes.</p> <p>25 Q. And the other one was not a</p>	<p style="text-align: right;">Page 143</p> <p>1 Michael Plummer</p> <p>2 So it's not like frowned upon, but there are</p> <p>3 sanctions in Russia now for what it's doing.</p> <p>4 It's public approbation and there</p> <p>5 are organizational approbations for doing such</p> <p>6 things and the museum could lose its</p> <p>7 certification as a museum.</p> <p>8 Q. How many museums are you aware of</p> <p>9 that are owned by a city?</p> <p>10 A. I don't know.</p> <p>11 Q. In the process of being an expert</p> <p>12 for this particular matter, did you take time to</p> <p>13 determine how many museums in America are owned</p> <p>14 by a city?</p> <p>15 A. I did not.</p> <p>16 Q. It is your understanding that the</p> <p>17 DIA is owned by the City of Detroit, correct?</p> <p>18 A. It is my understanding.</p> <p>19 Q. Was the Delaware museum that you</p> <p>20 are talking about owned by the City of Delaware?</p> <p>21 A. I don't believe that it is.</p> <p>22 Q. Or even the State of Delaware? You</p> <p>23 don't know?</p> <p>24 A. I don't believe it is.</p> <p>25 Q. Do you have any other examples</p>
<p style="text-align: right;">Page 142</p> <p>1 Michael Plummer</p> <p>2 deaccession?</p> <p>3 A. The other was a deaccession, but it</p> <p>4 was a sale for the purpose of paying down debt,</p> <p>5 rather than replenishing the collection of the</p> <p>6 fund, the collection of the museum.</p> <p>7 Q. I thought deaccession meant you are</p> <p>8 selling it in order to replenish the collection</p> <p>9 with some other form of collection, or something</p> <p>10 like that?</p> <p>11 A. It's my understanding deaccession</p> <p>12 is part of the process of removing a work of art</p> <p>13 from a collection, after which then steps are</p> <p>14 taken to sell it.</p> <p>15 Q. So that can be sold for any number</p> <p>16 of reasons, correct?</p> <p>17 A. It can be sold for any number of</p> <p>18 reasons.</p> <p>19 Q. It's your theory that in the art</p> <p>20 world if it's sold to retire debt, people don't</p> <p>21 like those sales?</p> <p>22 A. It's not only my theory, it</p> <p>23 actually runs into some real practical</p> <p>24 obstacles, such as there are various sanctions</p> <p>25 that are imposed against museums for doing that.</p>	<p style="text-align: right;">Page 144</p> <p>1 Michael Plummer</p> <p>2 other than those two that you think are</p> <p>3 relevant?</p> <p>4 A. I think there are some other</p> <p>5 examples on my report.</p> <p>6 Q. That's why I asked that last part</p> <p>7 that you think are relevant to this issue that</p> <p>8 we're discussing today?</p> <p>9 A. I think those two and some other</p> <p>10 examples in my report are relevant.</p> <p>11 Q. The four individuals that you</p> <p>12 mentioned, I guess you already mentioned that</p> <p>13 Mr. Yang is not a certified appraiser. Are the</p> <p>14 other three certified appraisers?</p> <p>15 A. The other three are certified</p> <p>16 appraisers, but Mr. Yang has the equivalence of</p> <p>17 what the Appraisers Association considers</p> <p>18 certification. He has significant auction house</p> <p>19 experience similar to the experts at Christie's</p> <p>20 who worked on the Christie's appraisal.</p> <p>21 Q. Did you personally conduct any</p> <p>22 appraisals in connection with this expert</p> <p>23 report?</p> <p>24 A. I did not personally. I worked</p> <p>25 with the specialists on their appraisals and</p>

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1 Michael Plummer

2 reviewed all of their numbers.

3 Q. When you say you worked with, what
4 does that mean?

5 A. I discussed it with them, I
6 reviewed it.

7 Q. Did you change any of their
8 opinions?

9 A. No, I did not change them and any
10 changes that were made, they made. I did not
11 change their numbers.

12 Q. Did you think any of their work was
13 incorrect?

14 A. To the extent that it was we had a
15 discussion about it and then any changes were
16 made.

17 Q. Can you recall any such instances?

18 A. There were some small adjustments
19 that were made. It wasn't a matter of
20 correction but more a matter of opinion, should
21 it be this much higher or that much lower, that
22 sort of thing, based on comps and different
23 things.

24 Q. Did anyone else other than the four
25 individuals you mentioned and yourself, did

1 Michael Plummer

2 overlap, just like there might be a contemporary
3 piece that Betty might have expertise on, even
4 though she was dealing with America pre-1950,
5 and Sabine and Betty might confer on pieces.

6 Q. Other than the five of you, was
7 anyone else involved in that process?

8 A. No.

9 Q. How did you ensure quality control
10 of the process?

11 A. Well, we did the first round of
12 comps, first checks for them. We had a process
13 in place that we thought was sound. We did the
14 first round of comps for them. We then -- they
15 then either visited the museum or used high res
16 images or the website images enhanced, in most
17 cases did both.

18 Actually, all of our appraisers
19 visited the museum which we felt was rather
20 important to the process, except for one of
21 them, Betty, who actually had -- knew the
22 collection well and had visited the museum many
23 times previously, so she was already very
24 familiar with the paintings in the collection.

25 But Sabine, myself, Joe-Hynn Yang

1 Michael Plummer

2 anyone else assist in the appraisal process?

3 A. No.

4 Q. You mentioned different areas of
5 specialty with respect to the specialists that
6 you had referred to?

7 A. Right.

8 Q. How did you divide the appraisals,
9 or evaluations as you called them, among these
10 consultants?

11 A. Based on their expertise.

12 Q. After the specialists came up with
13 their valuations, I think you just testified
14 that you reviewed them?

15 A. Right.

16 Q. Did anyone else review them?

17 A. Well, we worked in a fashion that
18 we all worked off of a common document on Google
19 Documents, so they were open for review by the
20 others on the team.

21 Q. So that each person could comment
22 on the other person's work?

23 A. Yes, and in some instances there
24 were comments made and some consultations.

25 There are a couple of instances where there was

1 Michael Plummer

2 and Kristin all visited the museum, and we feel
3 actually that our visit actually explains why
4 there are some discrepancies between our
5 appraisals and the other appraisals, because
6 those visits in the first-hand inspection
7 actually made a difference, and that was one of
8 the ways we ensured quality control.

9 Q. As I understand your testimony, the
10 way you ensured quality control is that you
11 visited the museum?

12 A. That was one way.

13 Q. What was the other way?

14 A. The other way was that we did the
15 first round of comps, then the specialists did
16 their own additional comps, and then they -- we
17 reviewed -- they put their logic in of how they
18 came to their conclusions and then we reviewed
19 those and came up with final numbers.

20 Q. When you say "we did the first
21 round of comps" who's the "we"?

22 A. Artvest, my team.

23 Q. That was you?

24 A. And Anya, and another woman who was
25 working for us on a temporary basis.

1 Michael Plummer
 2 Q. Who was that?
 3 A. Her name was Perry Silverman.
 4 Q. Perry?
 5 A. Perry.
 6 Q. P-e-r-r-y?
 7 A. Yes; and she had had experience in
 8 searching for comps at Christie's.
 9 Q. Were you aware of the fact that
 10 Christie's didn't -- not all of the specialists
 11 who worked for Christie's analysis of the 1,700
 12 visited the museum?
 13 A. No, I know all of them didn't, but
 14 a number of them did.
 15 Q. So were you concerned in relying on
 16 Christie's analysis that some of their
 17 specialists didn't visit the museum?
 18 A. No, because I think the important
 19 fact was that a core group of Christie's did.
 20 It's not that each expert has to see each piece,
 21 it's just that they are a representative from
 22 the body doing the appraisal, visiting the
 23 museum and seeing it. They can then compare
 24 notes, they can take a photograph and they can
 25 talk to the other.

1 Michael Plummer
 2 Q. So is it your understanding that
 3 the Christie's individuals who were doing the
 4 Old Masters visited the museum and reviewed the
 5 other works?
 6 A. I don't remember which individual
 7 experts visited the museum and which didn't, but
 8 I know that a core group of Christie's
 9 specialists did go to the museum and did examine
 10 the works.
 11 Q. Right. I heard you say that
 12 before. What I'm asking is different. What I'm
 13 asking is that core group, wouldn't they have
 14 been involved in only reviewing the area of art
 15 that they were interested in?
 16 MR. IRWIN: Form.
 17 A. No, not necessarily.
 18 Q. Do you know whether or not they
 19 were or weren't?
 20 A. At this point I don't remember who
 21 did which set of appraisals and who did not.
 22 Q. You don't know whether a person who
 23 did a set of appraisals for American Art, for
 24 example, also took the time to review the Old
 25 Masters, do you?

1 Michael Plummer
 2 A. No, I don't. I don't remember.
 3 Q. So when you say it's important to
 4 have a core group but not all go, if not all
 5 went it may be that some of the sectors were
 6 simply not seen personally, correct?
 7 A. I don't remember which sectors were
 8 seen. I would be surprised if an important
 9 sector such as Old Masters or American had not
 10 been viewed, in particular because those sectors
 11 are the largest sectors.
 12 Q. So visiting the museum you say is
 13 important, correct?
 14 A. Seeing the subject work is
 15 important.
 16 Q. Why is that?
 17 A. Because you see the physical nature
 18 of the object. You can miss things in
 19 photographs. Like, for instance, we put a much
 20 higher value on a Daga that when you see it up
 21 close -- than Winston did -- that when you see
 22 it up close it's smudged and it's incomplete and
 23 unfinished it's just a sketch; where Winston
 24 didn't see it and they gave it a much higher
 25 value because they thought it was a more

1 Michael Plummer
 2 complete and finished picture.
 3 Q. Any other reason?
 4 A. Another reason would be size. You
 5 get a sense of a picture, its power on the wall,
 6 and you're imagining something based on a
 7 dimension. But to actually see the picture and
 8 see how it works on a wall is completely
 9 different from just looking at it as a picture
 10 on a piece of paper.
 11 Q. Anything else?
 12 A. Condition, you get a better sense
 13 of condition. Now, there may be good condition
 14 notes that can offset that, but sometimes you
 15 can see things that may not be captured by
 16 another person who might have given the
 17 condition report.
 18 Q. Anything else?
 19 A. There are other subjective
 20 components that an expert would give you, just a
 21 feeling about it subjectively by seeing it in
 22 person that you can't convey in a photograph.
 23 Q. What would those be?
 24 A. You know, a feeling for whether
 25 something was -- the shape of it, the look of it

1 Michael Plummer
 2 in the third dimension, what it was,
 3 particularly a sculpture, whether it was real or
 4 fake, for example. That it looked better in
 5 person than it did in the photograph.
 6 One of the arts of the auction
 7 business is to make things look better in the
 8 catalog than they actually do in real life, and
 9 so that's one of the major talents. Having run
 10 marketing at Sotheby's I can tell you that we
 11 had trained photographers who made things look
 12 better than they really did, so a photograph can
 13 do that.
 14 Q. These subjective elements as you
 15 called them and these personal reviews that you
 16 are referring to, they can cut both ways.
 17 Somebody can look at a piece of art as you did
 18 and say wow, that's more valuable than it looks
 19 in the photo and somebody can look at it and say
 20 that's less valuable, is that correct?
 21 A. Correct.
 22 Q. So in connection with the work that
 23 you were doing you reviewed or your people
 24 reviewed personally 400 works of art, correct?
 25 A. Correct.

1 Michael Plummer
 2 Q. You don't know how many works of
 3 art were personally reviewed by Christie's you
 4 testified about earlier?
 5 A. I don't.
 6 Q. You understand that even added
 7 together, the Christie's and your art, you're
 8 looking at maybe less than 5 percent or around
 9 5 percent of the entire collection of the DIA,
 10 correct?
 11 A. In terms of numbers, raw numbers,
 12 yes.
 13 Q. Does it concern you that somebody
 14 who looked at some significantly smaller
 15 percentage of 5 percent is extrapolating to the
 16 value of the entire collection of 62,000 pieces
 17 of art.
 18 Did you want those people to look
 19 at more art?
 20 MR. IRWIN: Vague, form.
 21 A. I would not use the word
 22 extrapolate. We used a formula based by sector
 23 using the Christie's sample to develop a value,
 24 and we thought what we had was adequate for our
 25 purposes.

1 Michael Plummer
 2 Q. What word would you use if you
 3 didn't use extrapolate, what do you call what
 4 you're doing?
 5 A. We made an analysis of the
 6 collection and made a projection based on the
 7 data by sector that Christie's had done, that
 8 was a reasonable universe of sampling of the DIA
 9 collection.
 10 Q. So in other words, you relied on
 11 Christie's review, you looked at that percentage
 12 for each sector, and then you applied the
 13 formula that you just referred to to the entire
 14 rest of the collection in that sector, correct?
 15 A. Right.
 16 Q. So that if indeed of the original
 17 1/3 of the works of art that were deemed of too
 18 little value to be appraised, if 10 percent of
 19 those were Old Masters, then you apply that same
 20 10 percent figure in your Old Masters as to what
 21 was too little value to be appraised, correct?
 22 A. Correct.
 23 Q. You don't think that's an
 24 extrapolation?
 25 A. You can use extrapolation, I use my

1 Michael Plummer
 2 language. I prefer to say that we made a
 3 calculation or an analysis.
 4 Q. Do you have a word for that besides
 5 what you just described?
 6 MR. O'REILLY: Form.
 7 A. The words I used.
 8 Q. All right. On page 20 of your
 9 report. As you're turning to page 20, did you
 10 have someone on your staff who was doing the
 11 statistical analysis, running the sampling
 12 analysis that you used for the process that you
 13 described earlier?
 14 A. Yes.
 15 Q. Who was that?
 16 A. That would be Mr. Anya Bemis.
 17 Q. Is Anya Bemis a statistician so
 18 that she would know what is an appropriate
 19 sample of a given body of art to extrapolate
 20 from?
 21 A. Anya Bemis is not a statistician.
 22 Q. Did you have a statistician so that
 23 you could appropriately opine that looking at
 24 some segment of 5 percent of the art at the DIA
 25 enables you to extrapolate or to apply the

<p style="text-align: right;">Page 157</p> <p>1 Michael Plummer</p> <p>2 process that you described in the way that you</p> <p>3 described to the rest of the art?</p> <p>4 A. We do not have a statistician. It</p> <p>5 was our opinion that that was -- our methodology</p> <p>6 was sound.</p> <p>7 Q. You based that opinion on what?</p> <p>8 A. On my own professional experience</p> <p>9 in the art market.</p> <p>10 Q. Again, are you a statistician?</p> <p>11 A. No, I am not a statistician.</p> <p>12 Q. Are you a sampler?</p> <p>13 A. I am not a sampler.</p> <p>14 Q. You are not an appraisers either,</p> <p>15 correct?</p> <p>16 A. I am not an appraiser.</p> <p>17 Q. You mention on page 20 of your</p> <p>18 report that you did not interact with the museum</p> <p>19 staff directly, but rather communicated only</p> <p>20 through DIA counsel in conducting the appraisal,</p> <p>21 correct?</p> <p>22 A. Correct.</p> <p>23 Q. Would you normally communicate with</p> <p>24 the museum staff when you were conducting an</p> <p>25 appraisal or an evaluation, as you put it?</p>	<p style="text-align: right;">Page 159</p> <p>1 Michael Plummer</p> <p>2 personally?</p> <p>3 A. But our lawyers weren't involved in</p> <p>4 the assessing of the art.</p> <p>5 Q. You didn't communicate with anybody</p> <p>6 at the DIA who was involved in the art, did you?</p> <p>7 You only communicated with your lawyers,</p> <p>8 correct?</p> <p>9 A. Right; and any information that we</p> <p>10 used in terms of the subjective issues of the</p> <p>11 art we garnered ourselves from visiting the</p> <p>12 museum.</p> <p>13 Q. That instance where you didn't</p> <p>14 visit the museum, for example, the one person</p> <p>15 who you said didn't, what did you rely on there?</p> <p>16 A. Betty Krulik.</p> <p>17 Q. Yes.</p> <p>18 A. Well, Betty had been to the museum</p> <p>19 multiple times and was exceptionally familiar</p> <p>20 with the collection and all the pieces that were</p> <p>21 in it. So she didn't need to because she had</p> <p>22 already done so multiple times.</p> <p>23 Q. When you went to the museum were</p> <p>24 you allowed to handle the art?</p> <p>25 A. No.</p>
<p style="text-align: right;">Page 158</p> <p>1 Michael Plummer</p> <p>2 MR. O'REILLY: Form.</p> <p>3 A. It depends on the circumstances.</p> <p>4 Perhaps in a different circumstance I might, but</p> <p>5 in this situation it did not feel appropriate.</p> <p>6 Q. Did this hinder your evaluation of</p> <p>7 the art?</p> <p>8 A. No, it did not.</p> <p>9 Q. There wasn't anything you wanted to</p> <p>10 ask the folks at the DIA about a given piece of</p> <p>11 art, about maybe some of the subjective factors</p> <p>12 that you mentioned earlier that you couldn't get</p> <p>13 from your lawyers?</p> <p>14 A. There was nothing that we needed</p> <p>15 that we couldn't get.</p> <p>16 Q. How many times have your lawyers</p> <p>17 visited the DIA?</p> <p>18 A. I don't know.</p> <p>19 Q. You didn't ask?</p> <p>20 A. How many times did our lawyers</p> <p>21 visit the DIA?</p> <p>22 Q. Yes.</p> <p>23 A. I don't understand its relevance.</p> <p>24 Q. Didn't you just say it's important</p> <p>25 in assessing art that they should see it</p>	<p style="text-align: right;">Page 160</p> <p>1 Michael Plummer</p> <p>2 Q. Is it customary to handle art in</p> <p>3 connection with an appraisal?</p> <p>4 A. It is desirable to do so if you</p> <p>5 can, but that would have been disruptive to the</p> <p>6 museum and we did not do it.</p> <p>7 Q. Turning to page 17 of your report?</p> <p>8 A. Sure.</p> <p>9 Q. I'm looking at what's under the</p> <p>10 label Group 1?</p> <p>11 A. Yes.</p> <p>12 Q. "High value COD works that were</p> <p>13 appraised by Christie's for greater than</p> <p>14 \$750,000 (68 items)."</p> <p>15 A. Right.</p> <p>16 Q. Did you rely exclusively on</p> <p>17 Christie's valuation of those high value pieces</p> <p>18 of art?</p> <p>19 A. I'm not sure what you mean by that,</p> <p>20 relied exclusively on them.</p> <p>21 Q. I guess what I'm trying to figure</p> <p>22 out is did Artvest do an independent analysis of</p> <p>23 any form in connection with the high value City</p> <p>24 of Detroit works that were appraised by</p> <p>25 Christie's as being greater than \$750,000?</p>

40 (Pages 157 to 160)

1 Michael Plummer
2 A. We looked at their valuations and
3 reviewed them, but we did not separately set
4 values for them. We reviewed them, we found
5 them to be accurate and reasonable and relied
6 upon them.

7 Q. You didn't change them at all?

8 A. We did not change them.

9 Q. Did you find the wide range of
10 values that were provided by Christie's at all
11 unusual?

12 A. It was not their normal practice.

13 Q. So the answer is it was a little
14 bit out of the ordinary?

15 A. It was a little bit out of the
16 ordinary, but it did not make them unusable.

17 Q. Did you -- looking at page 17,
18 Group 2. It includes City of Detroit or
19 actually "COD works" they call them City of
20 Detroit works, "appraised by Christie's of lower
21 value, that under \$750,000 including property
22 for which they assigned limited or no value" and
23 the number is 1,654 with a value and 1,038 with
24 limited to no value, and 13 that were combined
25 in Phase III?

1 Michael Plummer
2 A. Right.
3 Q. That was the total COD appraised,
4 reviewed items by Christie's was 2,773, correct?

5 A. Correct.

6 Q. In this instance did you rely
7 exclusively on Christie's valuation for these
8 pieces?

9 A. Yes, we did.

10 Q. Were you satisfied with Christie's
11 valuation?

12 A. Yes, we were.

13 Q. Did you conduct any additional
14 analysis or appraisal of these pieces?

15 A. We did not.

16 Q. Looking on page 18, Group 3.
17 Includes "high value, non-COD works in the DIA
18 collection." Do you see that?

19 A. Yeah.

20 Q. "Contained on a list provided by
21 the DIA of works that the DIA valued for
22 insurance purposes or otherwise of 1 million or
23 more, totaling 350 works." Do you see that?

24 A. Yes.

25 Q. Specifically, what information did

1 Michael Plummer
2 the DIA provide you or Artvest with?

3 A. They provided us with a report
4 which is mentioned in here which had an image,
5 the description, the provenance, the methodology
6 that it was -- sorry, what funds were used to
7 purchase it, and there was some other
8 information which I can't quite remember right
9 now. Then we of course did additional research
10 to supplement what was given to us.

11 Q. What's the provenance?

12 A. Provenance is the ownership history
13 of a work of art. So if it comes out of an
14 important family or a sequence of owners who are
15 prominent, it can raise the value of a work of
16 art.

17 Q. What additional resources did you
18 look at to supplement what you got from the DIA?

19 A. The DIA's own website, some of the
20 DIA's own publications and other publications
21 and catalog resumes, most of which are referred
22 to in this document.

23 Q. In your report?

24 A. Yeah.

25 Q. Anything other than what's referred

1 Michael Plummer
2 to in your report?

3 A. I subsequently found six other
4 books that were referred to that were
5 inadvertently excluded, and I can supply that
6 list.

7 (*r) MR. SOTO: So when you supply me
8 with some of the other things like the
9 pioneering report and some other things like
10 that, I would love to have that list.

11 A. Sure.

12 Q. Who provided you the materials that
13 you got from the DIA?

14 A. Counsel.

15 Q. Did the DIA provide you with any
16 documentation as to appraisals that they had
17 conducted previously on any of the art that you
18 were interested in?

19 A. Later on in the process we received
20 a document that had values in it which we
21 thought might have been insurance values. They
22 were, however, so whacky, for lack of a better
23 word, that we had trouble figuring out really
24 what they were because they didn't have, except
25 in a couple of instances, they didn't bear much

1 Michael Plummer
2 on reality.
3 I wouldn't say a couple of
4 instances, there were more than a couple of
5 instances; but in too many instances they were
6 unreliable and way off.

7 Q. They were way off in which
8 direction, too valuable or too little?

9 A. Every way; too little, too high.

10 Q. Did you ever ask anyone at the DIA
11 what is this, who prepared this?

12 A. No. It was -- it seemed not to
13 matter. We came to our opinions as to how it
14 might have happened but it didn't matter, it was
15 not usable.

16 Q. What was your own opinion that you
17 arrived at?

18 A. That curators were sticking numbers
19 on things for various reasons and they didn't
20 have the market experience to do that. They
21 were just sort of randomly assigning numbers
22 either based on personal bias or a lack of
23 either underestimating or overestimating.

24 Q. Have you produced that information,
25 the whacky numbers that you got, in connection

1 Michael Plummer
2 with that report?

3 A. Have I produced it?

4 Q. Yes.

5 A. No. It's listed here.

6 Q. It's one of the items listed?

7 A. I believe so.

8 Q. If it's one of the items listed
9 it's produced with your report.

10 Did you know that, if it's listed
11 it was produced to me?

12 A. I didn't know that.

13 MR. SOTO: That's right, Geoff?

14 MR. IRWIN: Yes, that specific item
15 was produced.

16 MR. SOTO: I'm assuming that if
17 it's listed as something that you based your
18 report on, we received it in a plethora of
19 materials that we received from the City and
20 DIA.

21 MR. IRWIN: So the answer to that
22 is yes, as far as I know.

23 BY MR. SOTO:

24 Q. Did the DIA, as far as you know,
25 provide you with any documentation as to the

1 Michael Plummer

2 insurance values of the works of art?

3 A. No. I mean other than that report
4 I told you which may have been insurance values
5 or may not, but there is no supplemental
6 information.

7 Q. But you don't know whether it was
8 or wasn't?

9 A. I don't know whether it was or
10 wasn't.

11 Q. Got it. Did you obtain any
12 documents from the City of Detroit regarding the
13 value of the art?

14 A. No. Wait, I don't think so. Let
15 me think for a moment. I don't.

16 Q. So that it's clear, and I think you
17 may have said this earlier. Was each of these
18 350 items individually evaluated or appraised by
19 your team?

20 A. Yes.

21 Q. Each of them, appraisals or
22 evaluations as you call them, they may be
23 evaluations, documented in Exhibit G of your
24 report?

25 A. I'm sorry, ask me that again.

1 Michael Plummer

2 Q. Was each of these evaluations or
3 appraisals, however up want to say that
4 document, in Exhibit G of your report on page
5 72?

6 A. Yes, but there are some additional
7 work notes that were not summarized here that
8 are available and can be supplied.

9 Q. Turning to page 72. I see a blank
10 page that says "Exhibit G" there?

11 A. Right.

12 Q. Then it goes on actually from there
13 on, Exhibit G?

14 A. Right.

15 Q. In addition to what's there in your
16 report, which is the vast majority of the pages
17 in your report; in addition to that there are
18 some additional work pages that you have?

19 A. Yes.

20 Q. How many of those exist?

21 A. It's a large file. One of my
22 appraisers did -- was uncomfortable putting the
23 appraisal logic into this report and she
24 compiled separate documents for each one because
25 that's how she prefers to work, so I have a file

1 Michael Plummer
 2 for all those.
 3 Q. Which appraiser is that?
 4 A. Sabine Wilson.
 5 (*r) MR. SOTO: Again counsel when we
 6 make our request we will request that file,
 7 we'll make copies and obviously give you back
 8 the originals.
 9 A. We have it in electronic form.
 10 Q. That's even better. Thanks. What
 11 is this Exhibit G, in your own description?
 12 A. This is our reasoning to come up
 13 with a fair market valuation of these items.
 14 Q. Who prepared this Exhibit G?
 15 A. The appraisers that were described
 16 to you earlier, as reviewed by me.
 17 Q. So they took the data that they had
 18 collected and they input it on a form that you
 19 guys had all agreed to use?
 20 A. A Google document, yeah.
 21 Q. A Google document, and that became
 22 Exhibit G, is that correct?
 23 A. Yes.
 24 Q. With the exception of one person
 25 who had additional information?

1 Michael Plummer
 2 A. Correct.
 3 Q. That additional information by
 4 Sabine Wilson, did she also input at least some
 5 of the information that's here in Exhibit G?
 6 A. The values were input, but the
 7 summarization she did not.
 8 Q. So this spreadsheet identifies
 9 specific works of art that includes high and low
 10 estimated values for each, correct?
 11 A. Correct.
 12 Q. Recognizing that there are some
 13 descriptions that may be missing that you're
 14 going to supply in this additional
 15 documentation, was every piece of art listed in
 16 Exhibit G individually appraised?
 17 A. Yes. It was individually reviewed
 18 to arrive at a fair market valuation.
 19 Q. Were other pieces that are not
 20 listed -- pieces of art at the DIA that are not
 21 listed in your Exhibit G, were other pieces
 22 appraised by folks at Artvest or who were
 23 working for Artvest?
 24 A. We evaluated other pieces, they are
 25 mentioned in that page as a sub group that we

1 Michael Plummer
 2 identified 73 other pieces that we thought had
 3 been missed in the list that we had been given
 4 by the DIA.
 5 It was our sort of double-check on
 6 making sure that we were including and weren't
 7 undercounting what we were reviewing.
 8 Q. You were reviewing pieces of art
 9 worth?
 10 A. Over 750,000. We photographed
 11 those items while in the DIA and then went back
 12 and researched them. I put an estimate in here
 13 at the time because that was rather late in the
 14 process that we thought it might come in between
 15 80 and 160 million, and that I would provide
 16 supplemental information after the fact.
 17 We have now finished that
 18 evaluation and it has come in to 70 million to
 19 122 million, so it's lower than -- a little bit
 20 lower than the low and a good bit lower than the
 21 high.
 22 Q. So of these 73 additional pieces of
 23 art you're saying they came in at a low value of
 24 70 million and a high value of 122 million?
 25 A. Correct.

1 Michael Plummer
 2 Q. Let me see if I understand the
 3 process that you started with again. So you got
 4 a list of 350 or so pieces of art, correct?
 5 A. Right.
 6 Q. You got that from the DIA, correct?
 7 A. Well, actually it was a larger list
 8 and the overlap -- there was an overlap with
 9 Christie's, so that ended up netting down to
 10 350.
 11 Q. This large list was supposed to be
 12 works of art worth more than 750,000, correct?
 13 A. Correct.
 14 Q. Once you deducted the overlap you
 15 had 350,000?
 16 A. 350, Right.
 17 Q. How did you find the other 73?
 18 What did you do to find the other 73?
 19 A. Walking through the museum and
 20 selecting objects that we thought might possibly
 21 be of higher value, and then coming back and
 22 researching, and knowing that they weren't on
 23 the list, cross-checking against the list then
 24 assigning values to them.
 25 Q. Separate and apart from that

<p style="text-align: right;">Page 173</p> <p>1 Michael Plummer</p> <p>2 walk-through, did anyone at Artvest actually</p> <p>3 look at the list of 62,9000 items of art, the</p> <p>4 data that was given to you about that art,</p> <p>5 including the images and the valuations and</p> <p>6 everything else, to determine if the list that</p> <p>7 the DIA had given you was incomplete in any</p> <p>8 other way?</p> <p>9 You did the walk-through, you found</p> <p>10 out that it was incomplete, at least for 73</p> <p>11 items. Did you then look at the list to find</p> <p>12 out well look, there's a lot of pieces of art</p> <p>13 here that are in storage, maybe there's more</p> <p>14 pieces of art that are more valuable that we</p> <p>15 should be considering as well?</p> <p>16 MR. O'REILLY: Objection to form.</p> <p>17 A. We looked at the list, but we</p> <p>18 determined that going to the museum was the best</p> <p>19 process because the information on the list</p> <p>20 didn't seem to be helpful enough for that</p> <p>21 purpose.</p> <p>22 Q. Do you know if there are any pieces</p> <p>23 of art that are being stored that are not in the</p> <p>24 museum that are worth more than \$750,000 at the</p> <p>25 DIA, as you sit here today?</p>	<p style="text-align: right;">Page 175</p> <p>1 Michael Plummer</p> <p>2 has Betty Krulik's name on it. Then going</p> <p>3 across it talks about a 1985 oil on canvas,</p> <p>4 Mitchell pieces are in, do you see that?</p> <p>5 A. I'm not sure where you are.</p> <p>6 MR. IRWIN: Me neither.</p> <p>7 Q. It looks like this (indicating).</p> <p>8 MR. IRWIN: Here, take mine, we'll</p> <p>9 swap.</p> <p>10 A. Okay.</p> <p>11 Q. Do you see where it says "Summary</p> <p>12 Not Provided"?</p> <p>13 A. Right.</p> <p>14 Q. It has several of them going down</p> <p>15 the page and a few after that on the next page?</p> <p>16 A. Right.</p> <p>17 Q. Is that the instances that you were</p> <p>18 referring to earlier where Sabine Wilson didn't</p> <p>19 provide the information?</p> <p>20 A. Right.</p> <p>21 Q. And that's the information you're</p> <p>22 going to provide to us later?</p> <p>23 A. Correct.</p> <p>24 Q. I just want to make sure. Turn to</p> <p>25 page 18 of your report, that's 18 of 72. Do you</p>
<p style="text-align: right;">Page 174</p> <p>1 Michael Plummer</p> <p>2 A. Can you ask the question?</p> <p>3 Q. Do you know as you sit here today</p> <p>4 whether or not there are any additional pieces</p> <p>5 of art that are worth more than 750,000 that are</p> <p>6 stored by the DIA, not being shown at the DIA</p> <p>7 right now?</p> <p>8 A. I do not know whether there are or</p> <p>9 not.</p> <p>10 Q. Does anyone else at Artvest know</p> <p>11 that?</p> <p>12 A. No.</p> <p>13 Q. So looking at page 13 of your</p> <p>14 spreadsheet. I think it's what you described to</p> <p>15 me earlier but I want to make sure. It's a</p> <p>16 column that doesn't have information in it so I</p> <p>17 want to make sure that's what you were referring</p> <p>18 to earlier.</p> <p>19 MR. IRWIN: Is it the 13th page in</p> <p>20 this document?</p> <p>21 MR. SOTO: Yes.</p> <p>22 MR. IRWIN: Okay. So we'll all get</p> <p>23 to that.</p> <p>24 Q. It starts on the top with</p> <p>25 paintings, Contemporary Art after 1950, and it</p>	<p style="text-align: right;">Page 176</p> <p>1 Michael Plummer</p> <p>2 see Group 4, that's the additional?</p> <p>3 A. That's the additional 73 we</p> <p>4 discussed previously.</p> <p>5 Q. Did you participate in that review,</p> <p>6 the personal review at the museum?</p> <p>7 A. Yes.</p> <p>8 Q. You found some of those 73?</p> <p>9 A. Together with Joe-Hynn Yang, yes.</p> <p>10 Q. Was there anybody else with you?</p> <p>11 A. Just Joe and me.</p> <p>12 Q. When you were there, I think you</p> <p>13 might have testified about this before, you</p> <p>14 didn't talk to anybody at the museum to say hey,</p> <p>15 what about these?</p> <p>16 A. No.</p> <p>17 Q. Had you ever visited the museum</p> <p>18 before then?</p> <p>19 A. No, I never had.</p> <p>20 Q. Did anyone at the DIA escort you on</p> <p>21 the visit?</p> <p>22 A. No.</p> <p>23 Q. Was it done during public opening</p> <p>24 hours?</p> <p>25 A. Yes.</p>

44 (Pages 173 to 176)

<p style="text-align: right;">Page 177</p> <p>1 Michael Plummer</p> <p>2 Q. Did you ever ask anybody why these</p> <p>3 73 works were not included in the original list</p> <p>4 that you got?</p> <p>5 A. No.</p> <p>6 Q. Did you ask your counsel to ask?</p> <p>7 A. No. To address that I would say</p> <p>8 that we assumed, or concluded, or felt that it</p> <p>9 was probably because of the randomness of the</p> <p>10 numbers in some of their insurance lists that</p> <p>11 these may have been similarly disregarded.</p> <p>12 Q. Did you ask anyone if you could</p> <p>13 visit the museum's collection of stored art?</p> <p>14 A. No, we did not.</p> <p>15 Q. You didn't document or appraise any</p> <p>16 of the stored art?</p> <p>17 A. We did not.</p> <p>18 Q. You mentioned the supplement.</p> <p>19 Hadn't you supplemented your report yet?</p> <p>20 A. I did not.</p> <p>21 Q. Do you plan to?</p> <p>22 A. With that list, yes.</p> <p>23 Q. In any other way?</p> <p>24 A. At the moment I don't have plans</p> <p>25 to, but that could change.</p>	<p style="text-align: right;">Page 179</p> <p>1 Michael Plummer</p> <p>2 A. Yes.</p> <p>3 Q. So you didn't evaluate each of the</p> <p>4 remaining items of the museum, correct?</p> <p>5 A. Correct.</p> <p>6 Q. When you say you applied an average</p> <p>7 price, I just want to understand and I want the</p> <p>8 Court to understand what you did, correct me if</p> <p>9 I'm wrong.</p> <p>10 So, for example, I'm just using a</p> <p>11 hypothetical, assuming there was a value that</p> <p>12 Christie's gave for the Old Masters of, just</p> <p>13 using round numbers, 100 million, and that was</p> <p>14 for so many pieces of art, you would find the</p> <p>15 average value of those so many pieces of art,</p> <p>16 correct?</p> <p>17 A. Yes.</p> <p>18 Q. And that's the average value you</p> <p>19 would use on all the other pieces of art that</p> <p>20 you didn't evaluate that were in that sector,</p> <p>21 correct?</p> <p>22 A. Correct.</p> <p>23 Q. I use the word extrapolate. You</p> <p>24 extrapolated that out to the rest of the sector,</p> <p>25 correct?</p>
<p style="text-align: right;">Page 178</p> <p>1 Michael Plummer</p> <p>2 Q. What would make that change?</p> <p>3 A. I haven't heard the deposition from</p> <p>4 Mr. Wiener, certain things could arise with that</p> <p>5 that would cause me to change.</p> <p>6 Q. Have you reviewed Mr. Wiener's</p> <p>7 report?</p> <p>8 A. I have.</p> <p>9 Q. Does anything in his report lead</p> <p>10 you to want to change your analysis or</p> <p>11 supplement it in any way?</p> <p>12 A. He does not make me want to change</p> <p>13 my analysis, no.</p> <p>14 Q. What about supplementing it?</p> <p>15 A. I'm not sure. I take issue with</p> <p>16 various things in his report and his</p> <p>17 methodology.</p> <p>18 Q. We may get to that. Group 5 on</p> <p>19 page 19. "Balance of the collection. The</p> <p>20 balance of the DIA's collection was evaluated by</p> <p>21 sector using the sample valuation data of the</p> <p>22 COD works appraised by Christie's with a low</p> <p>23 value of at or below \$750,000, and applying an</p> <p>24 average price, sector by sector, based on that</p> <p>25 data." Do you see that?</p>	<p style="text-align: right;">Page 180</p> <p>1 Michael Plummer</p> <p>2 A. We applied those values to the rest</p> <p>3 of the sector.</p> <p>4 Q. Let's go back to page 17. We</p> <p>5 discussed earlier that there are different</p> <p>6 methods of appraisal; for example, fair market</p> <p>7 value, auction estimate, correct?</p> <p>8 A. Correct.</p> <p>9 Q. What method of appraisal did</p> <p>10 Artvest utilize in analyzing Groups 1 and 2,</p> <p>11 which are the works that Christie's previously</p> <p>12 valued?</p> <p>13 A. We did not appraise these, I</p> <p>14 thought we had established that. We had -- we</p> <p>15 reviewed their appraisal and concluded that</p> <p>16 their numbers were good.</p> <p>17 Q. So, as you know, Christie's</p> <p>18 conducted a fair market value appraisal,</p> <p>19 correct?</p> <p>20 A. Yes.</p> <p>21 Q. In your words, what is a fair</p> <p>22 market value appraisal?</p> <p>23 A. A fair market appraisal is an</p> <p>24 appraisal arrived at where a ready, willing and</p> <p>25 able seller reaches a price with a ready,</p>

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<p style="text-align: right;">Page 181</p> <p>1 Michael Plummer</p> <p>2 willing and able buyer where there is no duress</p> <p>3 or urgency to sell.</p> <p>4 Q. Are there particular projects in</p> <p>5 which a fair market appraisal is best to use?</p> <p>6 For example, this project that you're involved</p> <p>7 in, is that the best method to use to appraise</p> <p>8 this type of art?</p> <p>9 A. It is our opinion that a fair</p> <p>10 market value, whether it's an appraisal or a</p> <p>11 valuation, is the right approach for this</p> <p>12 project, yes.</p> <p>13 Q. Why is that?</p> <p>14 A. Because you're determining --</p> <p>15 you're trying to establish a value of the</p> <p>16 collection to the City of Detroit in the</p> <p>17 evaluation of this Court case, and to do that</p> <p>18 one were to start with the fair market value of</p> <p>19 the collection.</p> <p>20 Q. You are aware that Christie's</p> <p>21 relied on the market data method in arriving at</p> <p>22 its fair market valuation, correct?</p> <p>23 A. Correct.</p> <p>24 Q. What is the market data method?</p> <p>25 A. It's looking at comparable prices,</p>	<p style="text-align: right;">Page 183</p> <p>1 Michael Plummer</p> <p>2 A. Correct.</p> <p>3 Q. Why did you choose that form of</p> <p>4 valuation, a fair market value?</p> <p>5 A. Because we thought it was the most</p> <p>6 appropriate for the circumstance.</p> <p>7 Q. Did you consider using an auction</p> <p>8 appraisal value?</p> <p>9 A. No, because auction values are</p> <p>10 designed to entice bidders to bid on something,</p> <p>11 as I like to say, the low estimate appeals to</p> <p>12 the greed of the buyer and the high estimate</p> <p>13 appeals to the greed of the seller. It's a</p> <p>14 psychological estimate track that's not relevant</p> <p>15 to this situation.</p> <p>16 Q. Very interesting, another added bit</p> <p>17 of information. So, for example, if I were</p> <p>18 trying to put on an auction I would want</p> <p>19 estimates to make people think boy, I'm going to</p> <p>20 get a good value for that?</p> <p>21 A. Um-hum.</p> <p>22 Q. So there would be lower estimates?</p> <p>23 A. Um-hum.</p> <p>24 Q. I got it. I'm not that</p> <p>25 knowledgeable about this, but did you consider</p>
<p style="text-align: right;">Page 182</p> <p>1 Michael Plummer</p> <p>2 which is the same methodology we did.</p> <p>3 Q. Anything else?</p> <p>4 A. That's pretty much essentially it.</p> <p>5 Q. Is that a standard methodology</p> <p>6 that's used in coming up with a fair market</p> <p>7 value?</p> <p>8 A. That's pretty standard, yes.</p> <p>9 Q. Moving on to Groups 3 and 4 on page</p> <p>10 18?</p> <p>11 A. Sir, can I have a quick bathroom</p> <p>12 break?</p> <p>13 Q. Absolutely.</p> <p>14 THE VIDEOGRAPHER: The time is</p> <p>15 2:16 p.m., and we're going off the record.</p> <p>16 (Short break taken)</p> <p>17 THE VIDEOGRAPHER: The time is 2:27</p> <p>18 p.m., and we are back on the record.</p> <p>19 BY MR. SOTO:</p> <p>20 Q. We're going to try to go through</p> <p>21 some of the stuff that will be different and</p> <p>22 hopefully won't be repetitive.</p> <p>23 Your prior testimony was that, in</p> <p>24 fact, the evaluation done by Artvest was to come</p> <p>25 up with a fair market value, correct?</p>	<p style="text-align: right;">Page 184</p> <p>1 Michael Plummer</p> <p>2 applying the market cash value appraisal method?</p> <p>3 A. It did not seem appropriate either.</p> <p>4 Q. What is the market cash value</p> <p>5 appraisal?</p> <p>6 A. It's deducting the seller's</p> <p>7 commission and any other fees that would be</p> <p>8 related to selling the art. It's often used for</p> <p>9 art loans and other things where you want to see</p> <p>10 what your net cash is going to be for selling</p> <p>11 something.</p> <p>12 Q. When would the market cash value</p> <p>13 appraisal be used?</p> <p>14 A. You would use it for an art loan,</p> <p>15 would be one example.</p> <p>16 Q. Because you would want to know</p> <p>17 after netting it out this is what you have as</p> <p>18 collateral?</p> <p>19 A. Yeah, but it's interestingly, as a</p> <p>20 matter of common practice, the low estimate for</p> <p>21 the auction house would work as well. That's</p> <p>22 often used by lenders rather than net cash</p> <p>23 value.</p> <p>24 Q. So now what's the difference then</p> <p>25 between the market cash value and the fair</p>

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<p style="text-align: right;">Page 185</p> <p>1 Michael Plummer</p> <p>2 market value?</p> <p>3 A. The fair market value is higher, it</p> <p>4 includes the buyer's premium as well.</p> <p>5 Q. The fair market value?</p> <p>6 A. Yeah. The net cash market value is</p> <p>7 not only missing the seller's commission, but</p> <p>8 it's also missing the buyer's premium.</p> <p>9 Q. So it cuts out commissions and it</p> <p>10 leaves what you're going to net out?</p> <p>11 A. Exactly.</p> <p>12 Q. We've mentioned a number of types</p> <p>13 of appraisals. Are there any other types of</p> <p>14 appraisals that you are aware of that we haven't</p> <p>15 spoken of yet?</p> <p>16 We've talked about insurance</p> <p>17 appraisals, we've talked about auction</p> <p>18 estimates, we've talked about market cash values</p> <p>19 and we've talked about fair market values; is</p> <p>20 there anything else?</p> <p>21 A. There's a replacement value.</p> <p>22 Q. Would that be different than the</p> <p>23 insurance value?</p> <p>24 A. It can be, but it's often used</p> <p>25 interchangeably, but a replacement value is a</p>	<p style="text-align: right;">Page 187</p> <p>1 Michael Plummer</p> <p>2 and appraisals, we talked about the market data</p> <p>3 method of leading to an appraisal?</p> <p>4 A. Right.</p> <p>5 Q. Are there any other methods that</p> <p>6 you're aware of, other than generally getting</p> <p>7 market data that you described earlier?</p> <p>8 A. Well, I think that, you know,</p> <p>9 market data can also mean data that's not</p> <p>10 publicly available. It can also be particularly</p> <p>11 when you're dealing with primary market property</p> <p>12 that you might need to call around to the</p> <p>13 galleries that handle the artists because</p> <p>14 they're not yet traded at auction or that the</p> <p>15 highest prices are traded at auction.</p> <p>16 Q. Looking at page 18 again of your</p> <p>17 report, paragraph B. It says:</p> <p>18 "Artvest conducted the initial</p> <p>19 pricing research and created a source database</p> <p>20 of comparables and other records, then shared</p> <p>21 that with the consulting specialists who then</p> <p>22 did supplemental price searches and other</p> <p>23 research."</p> <p>24 A. Um-hum.</p> <p>25 Q. You've described earlier that you</p>
<p style="text-align: right;">Page 186</p> <p>1 Michael Plummer</p> <p>2 higher value, some people use it as -- some use</p> <p>3 it as a retail value. It presumes that there is</p> <p>4 a time requirement involved in replacing</p> <p>5 something so that a buyer would pay a premium to</p> <p>6 replace it.</p> <p>7 Q. So it gives, generally speaking, a</p> <p>8 higher value?</p> <p>9 A. Correct.</p> <p>10 Q. Are you familiar with the Uniform</p> <p>11 Standards of Professional Appraisal Practice?</p> <p>12 A. I am.</p> <p>13 Q. What are they?</p> <p>14 A. Generally referred to as USPAP,</p> <p>15 they're guidelines for conducting appraisals.</p> <p>16 Q. Did you review the USPAP at any</p> <p>17 time while preparing the DIA evaluation that you</p> <p>18 rely on in your expert report?</p> <p>19 A. I reviewed it and my appraisers are</p> <p>20 USPAP-compliant appraisers, but as it's not --</p> <p>21 USPAP is not required by law or any regulatory</p> <p>22 body and is often not used by many appraisers, I</p> <p>23 didn't think it was critical to this appraisal,</p> <p>24 or this evaluation I should say.</p> <p>25 Q. Separate and apart from valuations</p>	<p style="text-align: right;">Page 188</p> <p>1 Michael Plummer</p> <p>2 used market data comparables and some additional</p> <p>3 private information in coming up with what</p> <p>4 Artvest called its source database, correct?</p> <p>5 A. Um-hum.</p> <p>6 Q. Do you know --</p> <p>7 A. Well that's not how I mean source</p> <p>8 database. No. Okay. You're correct, you're</p> <p>9 correct. Let's go back.</p> <p>10 Q. In what you're calling the source</p> <p>11 database of comparables and other records, I</p> <p>12 believe you testified earlier that included</p> <p>13 market data that was available publicly about</p> <p>14 the art?</p> <p>15 A. Right.</p> <p>16 Q. Comparables that you were aware of</p> <p>17 both publicly, and some private comparables that</p> <p>18 you were knowledgeable of?</p> <p>19 A. Right, right.</p> <p>20 Q. You mentioned some other indices</p> <p>21 and other data that you received on this art.</p> <p>22 That was the database that you prepared at</p> <p>23 Artvest?</p> <p>24 A. Yeah, right.</p> <p>25 Q. You shared that with your</p>

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1 Michael Plummer
 2 consultant specialist, correct?
 3 A. Correct.
 4 Q. But then you go on to say who then
 5 supplemented price searches and other research.
 6 Do you know what they did to supplement that
 7 database?
 8 A. Yeah, they then did their own
 9 searches on Artvest, on Asguard, on Sotheby's
 10 and on Christie's websites in addition to what
 11 we gave them, they sort of did their own
 12 double-check.
 13 Q. Do you know if they came up with
 14 additional information?
 15 A. They did, yes.
 16 Q. Did you include that additional
 17 information in the information that you produced
 18 as supporting?
 19 A. Those comparables are in the work
 20 file that I have available to share, that
 21 electronic document that I referred to earlier.
 22 Q. That you are going to send us
 23 later?
 24 A. Yes.
 25 Q. Okay. You mentioned on page 20 --

1 Michael Plummer
 2 am I accurate in my assessment that not every
 3 piece of work at the DIA had a comparable?
 4 A. Yes.
 5 Q. There are some that did not?
 6 A. Correct.
 7 Q. How did you value those?
 8 A. You would look at things that sold
 9 in related categories.
 10 Q. You refer to them as once in a
 11 lifetime pieces of art?
 12 A. Yeah.
 13 Q. How many works are sort of once in
 14 a lifetime?
 15 A. In the DIA collection?
 16 Q. Yeah.
 17 A. I don't know that it's fair to put
 18 a number off the top of my head on there. Is it
 19 eight, is it ten, is it five, I don't know.
 20 Q. Do you recall how many had no
 21 comparables?
 22 A. I don't remember how many had none,
 23 but the non-comparables isn't just to once in a
 24 lifetime pieces, they're also smaller, less
 25 expensive works that might not have comparables.

1 Michael Plummer
 2 Q. So for those where you didn't have
 3 a comparable you tried to look at to create a
 4 comparable of some form?
 5 A. Yes, the closest in another sector.
 6 Q. In connection with your evaluation,
 7 is there a specific time period for which a
 8 comparable is relevant?
 9 A. That's an interesting question.
 10 The problem with the art market is that
 11 sometimes you have to go back many years, even a
 12 decade or so to find a comparable. So when you
 13 do that then you have to make an adjustment that
 14 you think is suitable for the difference in
 15 time, and the difference in the market then to
 16 the difference in the market now.
 17 In some instances actually the
 18 price could have gone down because the market
 19 might have been hotter for certain things a
 20 decade or two ago.
 21 Q. Let's turn to page 19. In Group 5
 22 you state that the balance of the DIA's art
 23 collection was evaluated by sector using the
 24 sample valuation data of the City of Detroit
 25 works appraised by Christie's with the low value

1 Michael Plummer
 2 of at or below 750, and applying an average
 3 price sector by sector based on the data,
 4 correct?
 5 A. Um-hum.
 6 Q. So here again, just so it's clear
 7 to the Court, for this lower value, if there was
 8 ten pieces this lower value from the Christie's
 9 collection that were in the Old Masters, you
 10 took the average of those ten and that's the
 11 average you applied for the remainder of that
 12 sector, correct?
 13 A. Correct.
 14 Q. Is your entire analysis of the
 15 Group 5 works contained here in this table 2?
 16 A. What do you mean my entire, do you
 17 mean the results of the analysis?
 18 Q. Yes?
 19 A. Yes.
 20 Q. Again, the sectors that you
 21 testified about earlier, those are all the
 22 sectors that you have identified, correct?
 23 When you say you did it sector by
 24 sector you identified the Old Masters, the
 25 Impressionist, Modernists, the Post War?

1 Michael Plummer

2 A. There are other sectors. There was
3 the prints and drawings, decorative arts,
4 silver, arms and armor. The fact that there
5 were so many sectors gave us the feeling that it
6 was an appropriate approach to this correction.

7 Q. Where can we find the most complete
8 list of the sectors that you divided them into?

9 A. This is the listing of the sectors.

10 Q. So indeed the separations in
11 Exhibit G are the sectors?

12 A. Correct, correct. I think there
13 are maybe eight, nine, ten, something like that.
14 Just to clarify, the DIA and Christie's
15 differentiate in how they classify things in
16 terms of sector.

17 It's really a commercial
18 distinction versus a curatorial distinction, and
19 where we needed to we made the juxtaposition
20 from one to the other so that they matched up.

21 Q. Did you record the average prices
22 in each sector somewhere?

23 A. Yes.

24 Q. In the report?

25 A. In this report, no. It was part of

1 Michael Plummer

2 the calculation.

3 Q. I'm trying to figure out how I'm
4 going to find the average prices in each sector.
5 Will it be in that thing you send me
6 electronically?

7 A. I could put it in that thing that I
8 send you electronically.

9 Q. That would be helpful in trying to
10 figure out what averages you used in making your
11 calculation.

12 A. Sure.

13 Q. Thank you. Stepping back in a
14 hypothetical situation. Aside from evaluating
15 each of the 62,000 pieces and coming up with a
16 number or applying the method that you did
17 apply, because I've heard about those two, you
18 testified about what you applied and obviously
19 the other one will take quite a while.

20 Is there any other way that you can
21 think of doing this kind of a valuation of this
22 large a collection?

23 A. Yes, there was a methodology that
24 we examined and we rejected within about an
25 hour, which was using the average prices of

1 Michael Plummer

2 sales results of Sotheby's and Christie's. We
3 had accumulated that data and we used it for
4 calculation of BIs.

5 Then we discarded using it for the
6 DIA collection because we felt there was no way
7 to make a logical connection between sales of
8 Sotheby's and Christie's and average prices, and
9 then using -- and the DIA's average price;
10 whereas we felt that using a sample of DIA's own
11 data would be relevant.

12 So I was surprised to see that
13 Wiener used the average prices from the
14 Sotheby's and Christie's data that we had
15 collected to use his valuation on the
16 collection.

17 Q. So that's one of the things that
18 you disagree with what Mr. Wiener did, correct?

19 A. Correct.

20 Q. You mentioned that there were
21 others, what are they?

22 A. I don't have his report in front of
23 me. There are some ways in which he matched up
24 some different methodologies to come to a total
25 number that concerned me, and various other

1 Michael Plummer

2 things that I would have to have his report in
3 front of me and my notes to go into.

4 Q. You state that to the extent this
5 methodology has a bias, this is again back on
6 your page 19, it is likely to overstate the
7 value of the DIA collection?

8 A. Correct.

9 Q. How?

10 A. Because when we did the average
11 value by sector we got some large average values
12 in different sectors like African and others,
13 and drawings; then we just used an average value
14 based on a total average of the Christie's data.
15 We actually did an alternate cut and it dropped
16 it down from valuing that part of the collection
17 from 600 million to 1 something billion,
18 1.2 billion, to about I think it's 130 million
19 to 300 million or something hike that.

20 So we felt going into it that it
21 was a bias, and also because we considered the
22 DIA property to have been purchased
23 strategically and that it was property bought by
24 the City of Detroit for the museum to raise the
25 profile of the museum.

<p style="text-align: right;">Page 197</p> <p>1 Michael Plummer 2 So it was more likely to be a 3 higher concentration of quality property, a 4 balance of property that was given to the 5 museum, which would include dregs along with 6 high quality of stuff, which often comes in 7 collections that are donated. 8 Q. On page 19 you also state that for 9 property value "below 5,000 I attributed an 10 effective value of zero"? 11 A. Yes. 12 Q. Why? 13 A. Because we felt that the cost of 14 handling that, and unlike the other property 15 where no commission would have been charged, we 16 felt that there would have been a commission 17 charged for the handling of that property 18 because it has a high nuisance value, and 19 Sotheby's and Christie's try not to sell or 20 value a property in that price range. 21 In fact, Sotheby's just went into a 22 new venture with eBay to try and find a way to 23 solve that problem. So we felt that the cost of 24 handling it would net out to zero for the value 25 of it.</p>	<p style="text-align: right;">Page 199</p> <p>1 Michael Plummer 2 directors are important. They spend a lot of 3 money making donations to museums and 4 cultivating those relationships. 5 If they were to sell this art they 6 would destroy their relationship with the museum 7 community in America and that is a high price to 8 pay, and it would do serious damage to their 9 brand. I think that the fallout that Christie's 10 received after just doing the appraisal was 11 indicative of how much more magnified it would 12 be if they were to actually handle the sale of 13 the DIA property. 14 Q. Did you speak with anyone at 15 Sotheby's about this to determine whether they 16 would -- 17 A. Hum, I did not -- 18 Q. That they would not touch it with a 19 10-foot barge pole. Was it a 10-foot barge 20 pole? I just want to be sure. 21 A. A 10-foot barge pole. I avoided 22 speaking to people at the auction houses about 23 this project that I'm working on. I did hear 24 someone senior at one of the auction houses say 25 such a thing. I am very aware of Sotheby's</p>
<p style="text-align: right;">Page 198</p> <p>1 Michael Plummer 2 Q. If you know, if someone were to 3 approach Sotheby's or Christie's, given your 4 experience with both enterprises, with a project 5 like the monetization of the art collection at 6 the DIA, well, let's ask that later. Let me ask 7 the first question. Strike that. 8 If someone were to approach 9 Sotheby's or Christie's, both enterprises that 10 you're familiar with, with a project to sell the 11 collection at the DIA, would that be the kind of 12 project that would be a pretty exciting project 13 to both entities, a very valuable collection, 14 well thought of? 15 A. It's a valuable collection, it's 16 well thought of. My business opinion after 17 being in this industry for 35 years and worked 18 at both houses, is that I don't think either 19 house would touch it with a 10-foot barge pole 20 because they -- both houses, just to explain, 21 have museum departments that cultivate 22 relationships with the museums. 23 Museum sales are important to their 24 business, curator's opinions are important to 25 their business, relationship with the museum</p>	<p style="text-align: right;">Page 200</p> <p>1 Michael Plummer 2 long-standing commitment to the City of Detroit, 3 it used to be headquartered in Detroit. 4 Its largest shareholder for many 5 years was a donor to the museum and ran a 6 building fund. He still has a close 7 relationship to the senior management of 8 Sotheby's. He has a wing named after him in the 9 DIA. I find it hard to imagine, knowing what I 10 know of the management of Sotheby's, that they 11 would do it. 12 Q. So it's your view that if someone 13 were to agree to handle the sale of a collection 14 like that, that they would exclude from that the 15 works of art that are below 5,000 for which you 16 attribute an effective value of zero? 17 A. I'm sorry, I'm not following the 18 collection. 19 Q. What I'm trying to figure out is 20 you say they may be worth 5,000 or less, you 21 attributed zero, and when you testified about it 22 you said it's because it costs a lot of money to 23 handle that art and get it ready. 24 But in the context of an 25 overarching sale of an entire collection like</p>

50 (Pages 197 to 200)

<p style="text-align: right;">Page 201</p> <p>1 Michael Plummer</p> <p>2 the City's collection at the DIA, would that</p> <p>3 still be true, would they still be of no value</p> <p>4 in your mind?</p> <p>5 A. Yes, I think it's going to be a</p> <p>6 difficult property to get rid of because it's</p> <p>7 thousands upon thousands upon thousands of items</p> <p>8 which would require years to be sold.</p> <p>9 Q. How many works of art fall in this</p> <p>10 category at the DIA, this below 5,000?</p> <p>11 A. I don't remember.</p> <p>12 Q. Do you have anything you can refer</p> <p>13 to in your report that would refresh your</p> <p>14 recollection?</p> <p>15 A. I don't have numbers, but I have</p> <p>16 that 45.98 percent were between 1,000 and 5,000</p> <p>17 in value.</p> <p>18 Q. 45.89 percent of the overall DIA</p> <p>19 collection?</p> <p>20 A. Right.</p> <p>21 Q. Did you review the publicly</p> <p>22 available information for sales at Sotheby's and</p> <p>23 Christie's to determine how many sales they've</p> <p>24 had in the last year or so, two years or so of</p> <p>25 art that's valued below \$5,000?</p>	<p style="text-align: right;">Page 203</p> <p>1 Michael Plummer</p> <p>2 they were of insignificant value?</p> <p>3 A. We had the data and we did look at</p> <p>4 it, yes.</p> <p>5 Q. And you agreed with their</p> <p>6 assessment?</p> <p>7 A. Yes.</p> <p>8 Q. Turning to Table 2. The figures on</p> <p>9 this table include Christie's valuations and</p> <p>10 Artvest's additional valuations, correct?</p> <p>11 A. Yes, correct.</p> <p>12 Q. And you come to the conclusion that</p> <p>13 the entire museum should have appraised or</p> <p>14 evaluated the collection at between 2.7 billion</p> <p>15 and \$4.6 billion, correct?</p> <p>16 A. Correct.</p> <p>17 Q. In coming to this conclusion you</p> <p>18 didn't inspect or value any of the remaining</p> <p>19 57,181 works of art, did you?</p> <p>20 A. We did not. We valued them by</p> <p>21 virtue of the calculation we made, but we did</p> <p>22 not inspect them.</p> <p>23 Q. On page 20 you exclude some works</p> <p>24 thought to be by?</p> <p>25 A. Modigliani.</p>
<p style="text-align: right;">Page 202</p> <p>1 Michael Plummer</p> <p>2 A. I did not, but I have been</p> <p>3 involved -- I have not.</p> <p>4 Q. Moving on to Table 1 on page 18.</p> <p>5 The figures in this table come from Christie's</p> <p>6 evaluation, correct?</p> <p>7 A. Yes.</p> <p>8 Q. Are you aware that Christie's did</p> <p>9 not actually appraise all 2,760 pieces?</p> <p>10 A. Yes, I am aware of that.</p> <p>11 Q. They didn't appraise 1,038 items,</p> <p>12 correct?</p> <p>13 A. I believe that's -- well, what they</p> <p>14 did was they decided that they were not of</p> <p>15 sufficient value to appraise.</p> <p>16 Q. So they didn't appraise them,</p> <p>17 correct?</p> <p>18 A. They did not appraise them, but</p> <p>19 they did essentially assign them a value of</p> <p>20 zero.</p> <p>21 Q. In your table you attribute no</p> <p>22 value to them at all, correct?</p> <p>23 A. Correct.</p> <p>24 Q. Did you review any of those 1038</p> <p>25 items to see if you agreed with Christie's that</p>	<p style="text-align: right;">Page 204</p> <p>1 Michael Plummer</p> <p>2 Q. The G is silent?</p> <p>3 A. Yes.</p> <p>4 MR. SOTO: Every day I work as a</p> <p>5 lawyer I learn something I didn't know the day</p> <p>6 before.</p> <p>7 Q. Modigliani?</p> <p>8 A. Modigliani.</p> <p>9 Q. Why are you insinuating that the</p> <p>10 works of art at the museum are not authentic?</p> <p>11 A. Because they are not in the Ceroni</p> <p>12 catalogue resume, and there is a lot of</p> <p>13 controversy in that market right now, and there</p> <p>14 is a number of fakes around, and there is</p> <p>15 alternate catalog resume out there that has</p> <p>16 fakes in it.</p> <p>17 So it's a hot controversial topic</p> <p>18 and Christie's should stop selling works that</p> <p>19 are not in Ceroni, and Sotheby's is reluctant to</p> <p>20 do so as well. So the common practice is to</p> <p>21 give it a value of zero or a minimal value;</p> <p>22 certainly not to value it as a real Modigliani.</p> <p>23 Q. How many works of art does a museum</p> <p>24 have that are Modiglianis?</p> <p>25 A. I don't remember the total amount.</p>

51 (Pages 201 to 204)

<p style="text-align: right;">Page 205</p> <p>1 Michael Plummer</p> <p>2 I think that Christie's did value one and I</p> <p>3 believe there were two which we had took issue</p> <p>4 with, if I remember correctly.</p> <p>5 Q. So they did one?</p> <p>6 A. And we had two.</p> <p>7 Q. You took issue with them both?</p> <p>8 A. I believe so, but I can't remember</p> <p>9 for certain.</p> <p>10 Q. Do you know if the museum insured</p> <p>11 those pieces?</p> <p>12 A. I don't remember.</p> <p>13 Q. Do you know if there was an</p> <p>14 insurance value for any of those pieces?</p> <p>15 A. I don't remember.</p> <p>16 Q. You also excluded the Diego Rivera?</p> <p>17 A. Yes.</p> <p>18 Q. Why was that?</p> <p>19 A. It is -- according to the standards</p> <p>20 of the Appraisers Association of America, and</p> <p>21 Liz von Habsburg agreed with this analysis as</p> <p>22 well, so it's two of us who came to the same</p> <p>23 conclusion that if an important -- if a mural is</p> <p>24 a part of a building and it would damage it to</p> <p>25 remove it, it should be valued as part of the</p>	<p style="text-align: right;">Page 207</p> <p>1 Michael Plummer</p> <p>2 Q. Did they have to remove the works</p> <p>3 from Ansel Ford's site to the DIA?</p> <p>4 A. No, I was not aware of that.</p> <p>5 Q. So they were painted at the DIA?</p> <p>6 A. They were painted at the DIA.</p> <p>7 Q. That's what I'm trying to ask. Is</p> <p>8 it possible, do you know of murals of this type</p> <p>9 that have been moved?</p> <p>10 A. There have been some smaller murals</p> <p>11 moved from churches and things.</p> <p>12 Q. Did you consider the possibility of</p> <p>13 doing that when you valued the Diego Rivera?</p> <p>14 A. As I said, we did consider it, and</p> <p>15 we talked to a Diego Rivera expert as well.</p> <p>16 It's as I said for the reasons I mentioned,</p> <p>17 breaking them up and giving that kind of risk.</p> <p>18 Q. Looking at what has been called the</p> <p>19 market issues affecting sales, we're going to go</p> <p>20 to page 24. Your report attempts to address</p> <p>21 some market issues that may affect the value of</p> <p>22 the collection, correct?</p> <p>23 A. Um-hum.</p> <p>24 Q. On page 24.</p> <p>25 MR. O'REILLY: Just verbal answers.</p>
<p style="text-align: right;">Page 206</p> <p>1 Michael Plummer</p> <p>2 real estate of the building and not separately</p> <p>3 as a work of art, because it really is not</p> <p>4 removable.</p> <p>5 This is really particularly true of</p> <p>6 the Diego Rivera murals because they are so</p> <p>7 large that they would have to be sliced up in</p> <p>8 the middle of the imagery in order to move them,</p> <p>9 and that would cause one set of damage, plus the</p> <p>10 active removal would cause another set of damage</p> <p>11 so then they would require heavy restoration.</p> <p>12 The damage would be an injury to the work and it</p> <p>13 would -- it just -- it can't be valued as a</p> <p>14 salable work of art.</p> <p>15 Q. Do you know how the DIA initially</p> <p>16 acquired this work of art?</p> <p>17 A. It's my understanding that they</p> <p>18 were a gift from Ansel Ford, if Ansel is</p> <p>19 correct, and that they were painted by Diego</p> <p>20 while he camped out there for a period of time</p> <p>21 to complete them, and that actually just after</p> <p>22 completing those he rushed up to New York to</p> <p>23 paint the ones at Rockefeller Center that were</p> <p>24 then subsequently painted over by Nelson</p> <p>25 Rockefeller. This is a masterpiece.</p>	<p style="text-align: right;">Page 208</p> <p>1 Michael Plummer</p> <p>2 Q. Whenever anybody wants to take</p> <p>3 another break some time in the middle of the</p> <p>4 afternoon to get some coffee or something,</p> <p>5 whatever you want.</p> <p>6 A. Okay. Thank you.</p> <p>7 Q. Paragraph 37 on page 24 says, "A</p> <p>8 significant segment of DIA's collection is in</p> <p>9 areas that have fallen out of favor with</p> <p>10 collectors." Correct?</p> <p>11 A. Correct.</p> <p>12 Q. The performing sectors that you</p> <p>13 identify that have fallen out of favor, and you</p> <p>14 mentioned some of them earlier, were American</p> <p>15 Art pre-1950, Old Masters and 19th Century</p> <p>16 European paintings?</p> <p>17 A. Um-hum.</p> <p>18 Q. And then also Impressionist and</p> <p>19 Modern Art, correct?</p> <p>20 A. Correct.</p> <p>21 Q. What is the basis for this opinion?</p> <p>22 How did you determine that these were</p> <p>23 underperforming sectors?</p> <p>24 A. Well, I think the index here from</p> <p>25 Mei-Moses points this out on page 24. I think</p>

52 (Pages 205 to 208)

1 Michael Plummer
2 that's a factual representation. I would say
3 also every day of my business both with Artvest
4 and also with Spring Masters, working with
5 dealers and collectors in these areas, and just
6 this past week I had the same conversation with
7 five different dealers in these areas that said
8 the same thing that I'm saying here.

9 So this is borne out in everything
10 I experience. So I would, you know, challenge
11 you to find a dealer out there who would
12 disagree with this, or an auction house expert.

13 Q. Did you do any research to
14 determine what was the basis of this chart 18
15 that you have here, the 2003 index?

16 A. I know how the Mei-Moses index is
17 completed. I've known Michael Moses for ten
18 years, I've been studying indexes in the art
19 industry. I actually helped construct one that
20 we used for a period of time several years ago.

21 I know he uses repeat sales index.
22 I know some people don't like that, I'm
23 perfectly fine with it because I think his
24 database is now complete enough to be
25 representative of the art market. Ten years ago

1 Michael Plummer

2 Q. That is because?

3 A. I thought this made the case in and
4 of itself. Mei-Moses, except for a few people,
5 he is well regarded.

6 Q. You're not concerned with the fact
7 that he uses repeat sales limits?

8 A. No --

9 Q. Excuse me, limits the database that
10 he's using?

11 A. No, because I tracked it over ten
12 years and compared it to other indices I'm
13 perfectly comfortable with this.

14 Q. The other indices that you referred
15 to earlier, are they consistent with this one in
16 the analysis of the value of these sectors?

17 A. Yes.

18 Q. Looking at your chart, it appears
19 as though all sectors declined in 2008, correct?

20 A. Yes, 2008 was a bleak time for
21 everybody.

22 Q. This was as you testified about
23 earlier, the financial crisis that you referred
24 to?

25 A. Yes.

1 Michael Plummer
2 I would have said not, but I think it is
3 absolutely fine now.

4 Q. Ten years ago the difference would
5 have been what?

6 A. Because he didn't have enough
7 samples in his database, but he's flushed it out
8 fully enough that when I compare it to other
9 indices it actually is comparable.

10 Q. When you say he uses repeat sales
11 what does that mean?

12 A. It means he gets -- he's gone back
13 to the 19th Century to get data from a property
14 that comes back up to auction and then he
15 measures the price of the same piece each time
16 it's auctioned and uses that as a data point.
17 The merits are that he's using a bucket of data
18 that is actually using identical pieces.

19 Q. Did you consider using any
20 additional indices to support your conclusion
21 here, besides the Chart 18, Mei-Moses?

22 A. I did, and I know they show very
23 similar thing. Art Market Research has the
24 similar results, but I did not feel it necessary
25 to apply it here.

1 Michael Plummer

2 Q. Isn't it also true that in a down
3 market that turnover falls because collectors
4 are less willing to sell at a depressed rate,
5 they would rather just hold on to it and sell
6 later?

7 A. Yes, we had commented on that.

8 Q. As the nation recovers would you
9 expect that the interest in those sectors would
10 also increase?

11 A. Not necessarily, for a couple of
12 reasons. One is that the art market is driven
13 by a global collector base, and if you're asking
14 about less recovers I don't think it's
15 necessarily a linear connection.

16 I also say perhaps more importantly
17 that the problem with these sectors is that
18 young collectors, new buyers are moving almost
19 exclusively into Post War, not into these other
20 sectors, so they're not getting the new blood
21 that they need.

22 Q. Looking at your chart, it appears
23 that the Impressionist and Modern Art sector is
24 on the rise again, correct?

25 A. From this Mei-Moses index?

<p style="text-align: right;">Page 213</p> <p>1 Michael Plummer</p> <p>2 Q. Yes.</p> <p>3 A. No. I wouldn't say that. I would</p> <p>4 say that the Modern sector is doing better than</p> <p>5 the Impressionist part of the sector, and</p> <p>6 benefits a little bit from spillover from the</p> <p>7 Post War and Contemporary since it's the sector</p> <p>8 just before that; but that sector is pretty</p> <p>9 flat.</p> <p>10 Q. So these green lines here?</p> <p>11 A. The green lines, you can see it</p> <p>12 came back in 2010, but it hasn't shown</p> <p>13 noticeable appreciation between 2011 and 2013.</p> <p>14 In fact, there have been some disappointing</p> <p>15 sales in that area which are mentioned in this</p> <p>16 document.</p> <p>17 Q. Are you familiar with Zhang Yi, an</p> <p>18 author of the TEFAF?</p> <p>19 A. TEFAF.</p> <p>20 Q. T-E-F-A-F, TEFAF Art Market Report?</p> <p>21 A. I am familiar that he's contributed</p> <p>22 to that report as a freelancer, but I actually</p> <p>23 have a very close relationship with the woman</p> <p>24 who actually writes the full report, Clare</p> <p>25 McAndrew, that's who I tend to correspond with</p>	<p style="text-align: right;">Page 215</p> <p>1 Michael Plummer</p> <p>2 find particularly disturbing to you?</p> <p>3 MR. O'REILLY: Objection to the</p> <p>4 form.</p> <p>5 A. I would say at the start that I</p> <p>6 have my own notes and thoughts on this that I</p> <p>7 can't summarize this fully in this exchange with</p> <p>8 you.</p> <p>9 Q. You don't have to summarize them</p> <p>10 fully, just things that are of major disturbance</p> <p>11 to you that you find that are particularly in</p> <p>12 error?</p> <p>13 A. I would say that the value of the</p> <p>14 collection is in error.</p> <p>15 Q. Why is that?</p> <p>16 A. Because I think that it's grossly</p> <p>17 overvalued.</p> <p>18 Q. Why?</p> <p>19 A. Because in his methodology, if you</p> <p>20 look at his methodology step-by-step chart,</p> <p>21 number 3, he's chosen 387 units, which we don't</p> <p>22 know why he's chosen those that he's put a value</p> <p>23 on, where he has put in a supplement based on</p> <p>24 his assumption that the DIA sale is going to be,</p> <p>25 as he puts it, a sale of the century.</p>
<p style="text-align: right;">Page 214</p> <p>1 Michael Plummer</p> <p>2 and communicate with.</p> <p>3 Q. Looking at your report, tab 4?</p> <p>4 A. Table 4 you mean?</p> <p>5 Q. Let me hand you as Exhibit 3.</p> <p>6 (Plummer Exhibit 3, Victor Wiener's</p> <p>7 Expert Report in this Chapter 9 proceeding,</p> <p>8 marked for identification.)</p> <p>9 BY MR. SOTO:</p> <p>10 Q. As Exhibit 3 let me hand you a copy</p> <p>11 of Victor Wiener's report. Exhibit 3 is marked</p> <p>12 here, it's Victor Wiener's Expert Report in this</p> <p>13 Chapter 9 proceeding.</p> <p>14 You testified earlier that you</p> <p>15 reviewed that, correct?</p> <p>16 A. Correct.</p> <p>17 Q. You mentioned that there were a</p> <p>18 number of things that you disagreed with,</p> <p>19 correct?</p> <p>20 A. Correct.</p> <p>21 Q. You've mentioned a few of them</p> <p>22 already, correct?</p> <p>23 A. Correct.</p> <p>24 Q. Take a few moments to take a look</p> <p>25 at it and see if there are any other areas you</p>	<p style="text-align: right;">Page 216</p> <p>1 Michael Plummer</p> <p>2 He has not revealed what that</p> <p>3 supplement is, but it appears to be a multiple</p> <p>4 of three or four or many times, and there</p> <p>5 doesn't seem to be a clearly understandable</p> <p>6 basis for that calculation.</p> <p>7 Then he uses Christie's and my</p> <p>8 appraisal values which he has criticized, but</p> <p>9 yet he uses them. I don't think he criticized</p> <p>10 Winston's, but he uses theirs as well. Then in</p> <p>11 step 3 he has used the DIA values, insurance</p> <p>12 values which we have already mentioned. We did</p> <p>13 an analysis of and found them to be irrelevant.</p> <p>14 Q. Are those the ones you described as</p> <p>15 whacky?</p> <p>16 A. Yes.</p> <p>17 Q. So you're assuming those are the</p> <p>18 insurance values?</p> <p>19 A. Yes. Most likely, to the extent if</p> <p>20 they are insurance values they would be</p> <p>21 replacement values which, as I said, would be</p> <p>22 the highest value. Victor did a net cash</p> <p>23 valuation for step 1. He used our numbers,</p> <p>24 Christie's, Artvest and Winston's which are fair</p> <p>25 market value.</p>

54 (Pages 213 to 216)

<p style="text-align: right;">Page 217</p> <p>1 Michael Plummer</p> <p>2 He then used a replacement value</p> <p>3 methodology for step 3. Then he went back to</p> <p>4 what would be the equivalent of fair market</p> <p>5 value because he used Christie's and Sotheby's</p> <p>6 data.</p> <p>7 For step 4 he used my data to</p> <p>8 basically get an average value based on sales of</p> <p>9 Sotheby's and Christie's, which I told you we</p> <p>10 rejected that methodology as being unsound, as</p> <p>11 there not being any logical connection between</p> <p>12 the property sold at Sotheby's and Christie's</p> <p>13 from what's in the DIA. So he uses all of these</p> <p>14 different methodologies and all of these</p> <p>15 different values to arrive at 8 million 552.</p> <p>16 Q. Anything else that comes to mind as</p> <p>17 you look at it?</p> <p>18 A. Well, he makes claims about my</p> <p>19 process which he had no knowledge of, which are</p> <p>20 untrue. There are other things.</p> <p>21 Q. Let me walk you through some that</p> <p>22 you might have mentioned that I had while</p> <p>23 everyone was eating?</p> <p>24 A. Sure.</p> <p>25 Q. Turn to page 21 of the report. I'm</p>	<p style="text-align: right;">Page 219</p> <p>1 Michael Plummer</p> <p>2 marketing at Sotheby's. He mentions the</p> <p>3 celebratory effect of the Jackie O sale, as I</p> <p>4 mentioned earlier. I worked at Sotheby's on</p> <p>5 that sale so I have real world insight on that</p> <p>6 kind of thinking and marketing.</p> <p>7 To put on a show if you will, to</p> <p>8 put on a promotional effort that we did at</p> <p>9 Sotheby's for Jackie O, or that was even done</p> <p>10 for the Albright-Knox property, there has to be</p> <p>11 a positive feeling behind the celebrity or the</p> <p>12 institution.</p> <p>13 If there is taint you can't market</p> <p>14 it that way, you can't do a big celebratory</p> <p>15 sale, it works against you, it actually</p> <p>16 backfires. So you couldn't do a big, splashy,</p> <p>17 this is the DIA sale, that's not possible.</p> <p>18 In fact, what is comparable to the</p> <p>19 DIA sale is the Klimt paintings that were sold</p> <p>20 in 2006 at Christie's, where they were Nazi</p> <p>21 property that had been given to the Vienna</p> <p>22 Museum and then restituted. Those paintings did</p> <p>23 well, but they did well not because they were</p> <p>24 property from the museum. In fact, the museum</p> <p>25 provenance was hidden in the marketing. The</p>
<p style="text-align: right;">Page 218</p> <p>1 Michael Plummer</p> <p>2 pointing these out to you because you may have</p> <p>3 mentioned something about it and I would be</p> <p>4 interested on what your view is about this,</p> <p>5 correct?</p> <p>6 A. Yes.</p> <p>7 Q. On page 21, the paragraph under</p> <p>8 "Museum provenance" under "The Effects of</p> <p>9 Selling Museum and Celebrity Art":</p> <p>10 "It is apparent that works of fine</p> <p>11 and decorative art, and other collectibles from</p> <p>12 museums and other significant collections</p> <p>13 perform much better at auctions than similar</p> <p>14 objects lacking notable provenance."</p> <p>15 Do you agree with that?</p> <p>16 A. In many instances, but not all.</p> <p>17 Q. How about in the context of the</p> <p>18 collection at the DIA?</p> <p>19 A. I don't think it would apply to the</p> <p>20 collection of the DIA, and I have reasons for</p> <p>21 believing that.</p> <p>22 Q. And why is that?</p> <p>23 A. If the collection were sold it</p> <p>24 would have the taint that I described. If</p> <p>25 the -- now I'm wearing my hat as former head of</p>	<p style="text-align: right;">Page 220</p> <p>1 Michael Plummer</p> <p>2 story that was told was about their restitution</p> <p>3 to the owner.</p> <p>4 So yes, it's true in certain</p> <p>5 circumstances, museum provenance can be</p> <p>6 meaningful and important, but it has to be the</p> <p>7 right circumstance otherwise it can work against</p> <p>8 you.</p> <p>9 I take the case that I use in my</p> <p>10 paper about the Delaware Museum. They went out</p> <p>11 thinking they had \$30 million worth of art to</p> <p>12 sell, that has not gone well, they've been</p> <p>13 sanctioned. They are now expecting that art to</p> <p>14 bring in \$19 million worth and they've had to</p> <p>15 lower their expectations of what they will be</p> <p>16 able to pay down.</p> <p>17 MR. O'REILLY: Ed, I don't want to</p> <p>18 interrupt your flow, do you mind if I take a</p> <p>19 break?</p> <p>20 MR. SOTO: Sure.</p> <p>21 THE VIDEOGRAPHER: The time is</p> <p>22 3:16 p.m., we're going off the record.</p> <p>23 (Short break taken)</p> <p>24 THE VIDEOGRAPHER: This begins</p> <p>25 media unit number 4, the time is 3:27 p.m., and</p>

55 (Pages 217 to 220)

<p style="text-align: right;">Page 221</p> <p>1 Michael Plummer</p> <p>2 we're back on the record.</p> <p>3 BY MR. SOTO:</p> <p>4 Q. Mr. Plummer, looking at the report</p> <p>5 before you, Exhibit 3, at page 44. Mr. Wiener</p> <p>6 is commenting on your report there?</p> <p>7 A. Okay.</p> <p>8 Q. The paragraph you see:</p> <p>9 "In brief, Dr. Barth opines that</p> <p>10 most, if not all, the discounts applied by the</p> <p>11 Artvest Report are unsustainable because of</p> <p>12 reliance upon unsupported data. The Barth</p> <p>13 Report goes through each discount the Artvest</p> <p>14 Report applies and shows that the data is either</p> <p>15 lacking or inconsistent with the conclusions</p> <p>16 reached. As such, the Barth report concludes</p> <p>17 that the Artvest Report is unreliable."</p> <p>18 Do you see that?</p> <p>19 A. I see that.</p> <p>20 Q. Did you have a chance to review the</p> <p>21 Barth report?</p> <p>22 A. I did.</p> <p>23 Q. What were your conclusions on that</p> <p>24 report?</p> <p>25 A. I felt it was -- I disagreed with</p>	<p style="text-align: right;">Page 223</p> <p>1 Michael Plummer</p> <p>2 Q. The first one is the first</p> <p>3 paragraph on the potential "See Artvest Report,</p> <p>4 39 to 40," do you see that? "The Artvest Report</p> <p>5 also dismisses all expressions of interest"?</p> <p>6 A. Yes.</p> <p>7 Q. What is your opinion on that</p> <p>8 conclusion?</p> <p>9 A. I reviewed the expressions of</p> <p>10 interest and I stand by what I say in my report.</p> <p>11 In fact, I'm not sure why they can disagree with</p> <p>12 what I've said because it's pretty</p> <p>13 straightforward.</p> <p>14 Q. The next paragraph talks about,</p> <p>15 well, let's see:</p> <p>16 While VWA did not have direct</p> <p>17 access to the three potential purchasers,</p> <p>18 according to Houlihan, Poly International</p> <p>19 Auction House, who expressed interest in</p> <p>20 purchasing all Chinese works for up to \$1</p> <p>21 billion, Yuan Capital, who also expressed</p> <p>22 interest in purchasing 116 pieces for \$895</p> <p>23 million to \$1.4 billion, and Catalyst</p> <p>24 Acquisitions/Bell Capital Partners, who</p> <p>25 expressed interest in purchasing the entire</p>
<p style="text-align: right;">Page 222</p> <p>1 Michael Plummer</p> <p>2 her conclusions. She -- her experience and</p> <p>3 education in the art world is a certificate at</p> <p>4 Sotheby's works of art program, which actually I</p> <p>5 used to oversee as part of my role at Sotheby's.</p> <p>6 I think that she's speaking from a</p> <p>7 place of not real art world experience and I am,</p> <p>8 and I think that actually the conclusions are</p> <p>9 supported, the data is supported, and I stand by</p> <p>10 it.</p> <p>11 Q. Anything more than that?</p> <p>12 A. I probably have more, but I would</p> <p>13 have to, you know, prepare for it.</p> <p>14 Q. In connection with the next</p> <p>15 paragraph that starts:</p> <p>16 "The Artvest Report also dismisses</p> <p>17 all expressions of interest by three potential</p> <p>18 purchasers," do you see that?</p> <p>19 A. Yes.</p> <p>20 Q. Did you read that purchase of it?</p> <p>21 A. Yes, I did.</p> <p>22 Q. Did you read the next paragraphs</p> <p>23 that address those potential purchases?</p> <p>24 A. Which paragraph are you referring</p> <p>25 to?</p>	<p style="text-align: right;">Page 224</p> <p>1 Michael Plummer</p> <p>2 collection for \$1.7 billion."</p> <p>3 Did you try to contact any of those</p> <p>4 individuals in connection with the preparation</p> <p>5 of your report?</p> <p>6 A. I did not. I am familiar with</p> <p>7 Poly. I expressed in my report that I was</p> <p>8 unfamiliar with the others. And, as I recall in</p> <p>9 my report, I believe that I was talking about</p> <p>10 whether or not the value of the collection would</p> <p>11 measure up to what these people were interested</p> <p>12 in buying, and as I read the documents</p> <p>13 subsequently of what they offered as their</p> <p>14 indications of interest, there is no binding</p> <p>15 commitment there, and all of them allow an out</p> <p>16 to provide a lower value offer if the collection</p> <p>17 is lower or the section of the collection is</p> <p>18 lower than what they're asking for. That's</p> <p>19 pretty much all I said, except for with regard</p> <p>20 to Ian Peck which is a different issue, and the</p> <p>21 loan.</p> <p>22 Q. I was about to go to Ian Peck, but</p> <p>23 before I do. Did you try to contact these</p> <p>24 individuals or any other potential monetization</p> <p>25 entities?</p>

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<p style="text-align: right;">Page 225</p> <p>1 Michael Plummer</p> <p>2 A. I did not.</p> <p>3 Q. You were not asked to either?</p> <p>4 A. I was not asked to.</p> <p>5 Q. Now you were going on to Ian Peck.</p> <p>6 What more did you have to say about his view?</p> <p>7 A. Well, it's interesting. He says</p> <p>8 that my expense calculations are inaccurate, yet</p> <p>9 they are what is in his offer, not only in the</p> <p>10 Houlihan Lokey document, but I read the details</p> <p>11 of his indication of interest that he submitted</p> <p>12 to Houlihan Lokey, and the numbers that I used</p> <p>13 are the numbers that he has in his offering</p> <p>14 documents.</p> <p>15 So I'm surprised -- I'm not</p> <p>16 surprised. I am perplexed that he would say</p> <p>17 that they are inaccurate, when actually the</p> <p>18 documentation submitted supports what I said.</p> <p>19 Q. Anything else?</p> <p>20 A. With regard to the report?</p> <p>21 Q. Yes.</p> <p>22 A. We could go through it page by</p> <p>23 page. I have numerous objections to it, but I'm</p> <p>24 not sure that's the best use of your time today.</p> <p>25 Q. We can certainly come back and do</p>	<p style="text-align: right;">Page 227</p> <p>1 Michael Plummer</p> <p>2 A. Right.</p> <p>3 Q. Other than what you've already</p> <p>4 testified about today, I know you've mentioned</p> <p>5 this before, why do you believe those sectors</p> <p>6 have declined?</p> <p>7 A. For the reason I stated, that</p> <p>8 collectors are migrating into Contemporary Art</p> <p>9 to the exclusion of other sectors.</p> <p>10 Q. Did you notice that the volume and</p> <p>11 sales of those same three sectors in 2012 and</p> <p>12 2013 exceeded previous session models?</p> <p>13 A. Yes.</p> <p>14 Q. Is it possible that the</p> <p>15 Impressionist and Modern paintings sectors</p> <p>16 declined because there were few high quality</p> <p>17 works on the market during the depressed period?</p> <p>18 A. I think some people believed that,</p> <p>19 but I think that it's a function of the reason</p> <p>20 that I stated. That, as I said, comes from not</p> <p>21 only looking at the data but actually talking to</p> <p>22 the dealers in the field, which I indicated</p> <p>23 earlier, dealers and auction house specialists.</p> <p>24 Q. Going to paragraph 25 of your</p> <p>25 report which is on page 9, looking at</p>
<p style="text-align: right;">Page 226</p> <p>1 Michael Plummer</p> <p>2 that, but what I'm asking is a little bit</p> <p>3 different. I appreciate your willingness to do</p> <p>4 that.</p> <p>5 As you sit here today, are there</p> <p>6 any things that you find particularly egregious</p> <p>7 or inaccurate that you haven't testified about</p> <p>8 already?</p> <p>9 A. I mentioned the ones that are top</p> <p>10 of mind. There are others, but I would have to</p> <p>11 go through the report to find them.</p> <p>12 Q. Going back to -- we were talking</p> <p>13 about your report page 6 of 72 in your report,</p> <p>14 paragraph 23 which is actually on page 7,</p> <p>15 paragraph 23 is on page 7.</p> <p>16 A. Okay.</p> <p>17 Q. You state that:</p> <p>18 "Four sectors of the art market</p> <p>19 constitute 98% of the value of the fine art</p> <p>20 market: European, Modern Art, Impressionist and</p> <p>21 Post-Impressionist Art, European Old Master</p> <p>22 Paintings, and Post War and Contemporary Art.</p> <p>23 Of those four sections, three have declined in</p> <p>24 value since 2011."</p> <p>25 Do you see that?</p>	<p style="text-align: right;">Page 228</p> <p>1 Michael Plummer</p> <p>2 subparagraph A. You state that:</p> <p>3 "Selling at or below the low</p> <p>4 estimate is more the norm, and selling at the</p> <p>5 higher end of the estimate range becomes an</p> <p>6 anomaly."</p> <p>7 Do you see that?</p> <p>8 A. Yes.</p> <p>9 Q. You point to the example from</p> <p>10 Christie's evening auction as support for that,</p> <p>11 right?</p> <p>12 A. Right.</p> <p>13 (Plummer Exhibit 4, Article</p> <p>14 prepared by Zhang Yi entitled "Review of Expert</p> <p>15 Witness Report of Michael Plummer, Artvest</p> <p>16 Partners, Dated July 8, 2014", marked for</p> <p>17 identification.)</p> <p>18 Q. Let me hand you Exhibit 4.</p> <p>19 MR. SOTO: For the record,</p> <p>20 Exhibit 4 is an article prepared by Zhang Yi,</p> <p>21 which is Z-h-a-n-g, Yi, Y-i, two separate words</p> <p>22 entitled "Review of Expert Witness Report of</p> <p>23 Michael Plummer, Artvest Partners, Dated July 8,</p> <p>24 2014."</p> <p>25 Q. Have you seen this before?</p>

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<p style="text-align: right;">Page 229</p> <p>1 Michael Plummer</p> <p>2 A. I have, yes.</p> <p>3 Q. It's one of the supplements or one</p> <p>4 of the exhibits to Mr. Wiener's report, correct?</p> <p>5 A. Correct.</p> <p>6 Q. Did you review this?</p> <p>7 A. I did.</p> <p>8 Q. Will you take a look at that report</p> <p>9 in paragraphs 7 through 8?</p> <p>10 A. Yes.</p> <p>11 Q. He states that your analysis as to</p> <p>12 Christie's evening sales was incorrect, I'm</p> <p>13 quoting him:</p> <p>14 "The Artvest Report is incorrect</p> <p>15 about Christie's auction data for the evening</p> <p>16 sales of Impressionist and Modern Art. The</p> <p>17 turnover of that section on May 6th was</p> <p>18 \$285.9 million, and the estimate was between</p> <p>19 \$244.5 million to \$360.4 million." Do you see</p> <p>20 that?</p> <p>21 A. Right.</p> <p>22 Q. Did you check this man's data to</p> <p>23 determine whether you were right or he was</p> <p>24 right?</p> <p>25 A. I did.</p>	<p style="text-align: right;">Page 231</p> <p>1 Michael Plummer</p> <p>2 excluding a price disruption in this sector,</p> <p>3 growth of the art market will remain choppy over</p> <p>4 the near to mid-term in all other sectors other</p> <p>5 than Post War and Contemporary?</p> <p>6 A. Um-hum.</p> <p>7 Q. What's the basis for that opinion?</p> <p>8 A. The basis for that is, as I said,</p> <p>9 all of the data that I talked to you before, all</p> <p>10 of the conversations I talked to you about,</p> <p>11 everything that I've mentioned up to now as to</p> <p>12 my sources of information.</p> <p>13 I should add that I used this in my</p> <p>14 analysis for Citibank last year in the problems</p> <p>15 that Christie's was facing going into the</p> <p>16 future, and the activist investors, Dan Loeb and</p> <p>17 the others, based their activity with Sotheby's</p> <p>18 based on my analysis with Christie's.</p> <p>19 So I would say that my theory is</p> <p>20 not just something that I pulled out of the air,</p> <p>21 but something that is grounded in real world</p> <p>22 experience that others have taken action on,</p> <p>23 financial action on.</p> <p>24 Q. Turn again to Mr. Yi's analysis in</p> <p>25 your report, Exhibit 4. Exhibit 4, page 6 of</p>
<p style="text-align: right;">Page 230</p> <p>1 Michael Plummer</p> <p>2 Q. What was the result?</p> <p>3 A. I was right. What's curious is</p> <p>4 that I have here the 172 is the hammer price,</p> <p>5 and we say that that's the hammer price, and he</p> <p>6 seems to be disregarding that because he's using</p> <p>7 the price plus the buyer's premium which, as I</p> <p>8 told you, distorts the market. So he seems not</p> <p>9 to be adjusting, making the proper adjustments</p> <p>10 we are which shows the real activity in the</p> <p>11 marketplace.</p> <p>12 Q. So the difference between the 285.9</p> <p>13 number that Mr. Yi refers to you believe that it</p> <p>14 includes the buyer's premium?</p> <p>15 A. It includes the buyer's premium,</p> <p>16 but it looks like it includes something else. I</p> <p>17 checked the 172 million and that is the correct</p> <p>18 price, or the hammer price.</p> <p>19 Q. Looking at paragraph 25 B in your</p> <p>20 report, page 10. Your analysis assumes that the</p> <p>21 increase in international art purchases, and I'm</p> <p>22 quoting you here, is not likely to be repeated</p> <p>23 over the next five years. In fact, with growth</p> <p>24 now concentrated almost exclusively in the Post</p> <p>25 War Contemporary sector, I estimate that</p>	<p style="text-align: right;">Page 232</p> <p>1 Michael Plummer</p> <p>2 that exhibit?</p> <p>3 MR. IRWIN: Did you say paragraph 6</p> <p>4 or page 6?</p> <p>5 MR. SOTO: Page 6, paragraph 21.</p> <p>6 Q. Take a moment to read that. I</p> <p>7 assume you have read it before?</p> <p>8 A. Yes. He's saying the opposite of</p> <p>9 what I say. As I said, he may not have</p> <p>10 evidence, but he's not active in the art world</p> <p>11 the way I am on a day-to-day basis.</p> <p>12 Actually, and let me add that I</p> <p>13 have actually had this conversation with Clare</p> <p>14 McAndrew who writes the report that he's</p> <p>15 purporting to actually represent, and she</p> <p>16 actually has agreed with me.</p> <p>17 Q. Looking then back on the TEFAF</p> <p>18 report that you rely on in your report. It</p> <p>19 states that:</p> <p>20 "Emerging markets are increasing</p> <p>21 their importance in the global wealth hierarchy</p> <p>22 and have been growing at faster rates than more</p> <p>23 developed markets, a trend that is expected to</p> <p>24 continue."</p> <p>25 Did you disagree with the TEFAF</p>

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<p style="text-align: right;">Page 233</p> <p>1 Michael Plummer</p> <p>2 report?</p> <p>3 A. No, I don't agree with that -- I</p> <p>4 don't disagree with that.</p> <p>5 Q. Where is the disconnect then</p> <p>6 between your view that this -- are they talking</p> <p>7 about two different sectors of art, is that what</p> <p>8 I'm missing here?</p> <p>9 The TEFAF report says that emerging</p> <p>10 markets will continue to grow, correct?</p> <p>11 A. They will continue to grow, but it</p> <p>12 doesn't say by how much and at what pace.</p> <p>13 Q. It says at faster rates than</p> <p>14 developed market?</p> <p>15 A. Still, it's not saying what that</p> <p>16 impact will be on the larger art market and what</p> <p>17 percentage. All I'm saying is it's not going to</p> <p>18 be the kind of growth that happened from 2003 to</p> <p>19 2012, some years will be up, some years will be</p> <p>20 down. I'm not denying that there won't be</p> <p>21 growth at all.</p> <p>22 Q. So your analysis is that there</p> <p>23 won't be growth, it just might not be as fast as</p> <p>24 it was before?</p> <p>25 A. It might not be as fast as it was</p>	<p style="text-align: right;">Page 235</p> <p>1 Michael Plummer</p> <p>2 A. I promised the people that I talked</p> <p>3 to that I would not reveal who they were.</p> <p>4 Q. Assuming for the moment that the</p> <p>5 DIA did sell its collection, is it your opinion</p> <p>6 that museums would refuse to bid on the, I think</p> <p>7 you described it as once in a lifetime sale</p> <p>8 artworks that you described earlier?</p> <p>9 A. I think there are a number of</p> <p>10 obstacles in the bidding. I think that they</p> <p>11 would be reluctant to, some of them would</p> <p>12 boycott, some of them would have difficulty --</p> <p>13 most of them would have difficulty coming up</p> <p>14 with the funding of the magnitude of some of the</p> <p>15 master works.</p> <p>16 Q. Let's take the example of "The</p> <p>17 Wedding Dance"?</p> <p>18 MR. IRWIN: Sorry, are you done?</p> <p>19 Q. I'm sorry.</p> <p>20 A. I'm not sure. For the moment I'm</p> <p>21 done.</p> <p>22 Q. Take the example of "The Wedding</p> <p>23 Dance" by Peter Bruegel. Is it your testimony</p> <p>24 here that museums would -- if it was going to be</p> <p>25 sold as a City work of art by the DIA, is it</p>
<p style="text-align: right;">Page 234</p> <p>1 Michael Plummer</p> <p>2 in the past.</p> <p>3 Q. Turning to page 25 of your report.</p> <p>4 Under museum purchases you state that:</p> <p>5 "Few sales would be to other</p> <p>6 museums, both because other museums are likely</p> <p>7 to boycott such sales, as well as because</p> <p>8 funding constraints limit their participation in</p> <p>9 the marketplace." Correct?</p> <p>10 A. Correct.</p> <p>11 Q. What is the basis for your</p> <p>12 statement that museums are likely to boycott the</p> <p>13 sale?</p> <p>14 A. Comments made by other museum</p> <p>15 professionals to me.</p> <p>16 Q. Those were again not at the DIA,</p> <p>17 but at other museums?</p> <p>18 A. At other museums.</p> <p>19 Q. I think you testified earlier you</p> <p>20 spoke to about 20 people?</p> <p>21 A. People either in museums or</p> <p>22 associated with museums.</p> <p>23 Q. Can you recall which museums you</p> <p>24 spoke with about the potential sale of art at</p> <p>25 the DIA?</p>	<p style="text-align: right;">Page 236</p> <p>1 Michael Plummer</p> <p>2 your opinion that there would be no museums that</p> <p>3 would bid on that once in a lifetime sale of</p> <p>4 art?</p> <p>5 A. No, I didn't use any -- I never</p> <p>6 used no or all or anything; I just said that it</p> <p>7 would not be the solution that people might</p> <p>8 think it is. I can't sit here and say that no</p> <p>9 one would bid on anything, but I can sit here</p> <p>10 and say that if you're liquidating 100 master</p> <p>11 works that are worth, you know, a billion</p> <p>12 dollars or \$800 million, whatever it works out</p> <p>13 to be, that the museum community is going to</p> <p>14 come up with \$800 million to be able to buy</p> <p>15 those works of art.</p> <p>16 (Plummer Exhibit 5, Article by</p> <p>17 Katherine Boyle from the Washington Post, dated</p> <p>18 October 6, 2013, entitled "Poor Detroit: What</p> <p>19 money giveth, It can taketh away", marked for</p> <p>20 identification.)</p> <p>21 BY MR. SOTO:</p> <p>22 Q. Let me hand you Exhibit 5.</p> <p>23 Exhibit 5 is an article by Katherine Boyle,</p> <p>24 B-o-y-l-e, from the Washington Post, dated</p> <p>25 October 6, 2013, it's entitled "Poor Detroit:</p>

59 (Pages 233 to 236)

<p style="text-align: right;">Page 237</p> <p>1 Michael Plummer</p> <p>2 What money giveth, It can taketh away." Do you</p> <p>3 see that?</p> <p>4 A. Yes.</p> <p>5 Q. Have you reviewed this article</p> <p>6 before?</p> <p>7 A. I have, yes.</p> <p>8 Q. What occasioned your review of this</p> <p>9 article?</p> <p>10 A. I read it when it came out.</p> <p>11 Q. The article discusses the potential</p> <p>12 sale at the DIA, correct?</p> <p>13 A. Right.</p> <p>14 Q. Certainly read all of it. If you</p> <p>15 read it already I'm going to ask you some</p> <p>16 questions on the second page where you're</p> <p>17 quoted?</p> <p>18 A. Um-hum.</p> <p>19 Q. As saying:</p> <p>20 "In situations where a museum is</p> <p>21 deaccessioning important pieces, boycotts are</p> <p>22 rare. It's a market driven by opportunism, and</p> <p>23 this would be an opportunity. While one</p> <p>24 collector sits on their hands, another won't."</p> <p>25 Do you see that?</p>	<p style="text-align: right;">Page 239</p> <p>1 Michael Plummer</p> <p>2 their hands, but another won't?</p> <p>3 A. Right.</p> <p>4 Q. You still agree with that, correct?</p> <p>5 A. And that applies to the</p> <p>6 Impressionist sector and the Contemporary</p> <p>7 sectors where I did not factor in a discount.</p> <p>8 But in the American market, for reasons stated</p> <p>9 in the report, I do think people would sit on</p> <p>10 their hands and they would not be opportunistic.</p> <p>11 Q. Is it your view that people in the</p> <p>12 global market are not interested in American</p> <p>13 Art?</p> <p>14 A. Yes. American Art is collected</p> <p>15 almost exclusively by -- no, not almost, it is</p> <p>16 collected exclusively by Americans.</p> <p>17 Q. You further state in this article:</p> <p>18 "There's an enormous amount of</p> <p>19 wealth in this country, and we have some of the</p> <p>20 most active buyers at auction. We shouldn't</p> <p>21 immediately come to the conclusion that someone</p> <p>22 from overseas would buy these works."</p> <p>23 Do you remember making that</p> <p>24 statement?</p> <p>25 A. I do.</p>
<p style="text-align: right;">Page 238</p> <p>1 Michael Plummer</p> <p>2 A. Aha.</p> <p>3 Q. Did you still agree with that</p> <p>4 statement?</p> <p>5 A. This is part of a much fuller</p> <p>6 conversation which got distilled down into two</p> <p>7 sound bites in this piece. What I said was much</p> <p>8 more nuanced, and I think is reflected in my</p> <p>9 report which is, when I said that the taint</p> <p>10 would happen in this collection I was</p> <p>11 referring -- in terms of my numeric approach I</p> <p>12 only applied it to the American sector, and the</p> <p>13 reason for doing that is reflected -- this</p> <p>14 comment reflects that.</p> <p>15 I think outside of America the</p> <p>16 buyers will be less impacted, they'll be less</p> <p>17 concerned about whether it's from the Detroit</p> <p>18 collection. That kind of nuance gets lost in an</p> <p>19 article in the Washington Post, they're just</p> <p>20 trying to get a couple of sound bites out of</p> <p>21 you, but I think it's better reflected in my</p> <p>22 report.</p> <p>23 Q. In the Washington Post you were</p> <p>24 essentially stating in your opinion that in a</p> <p>25 more global market one collector might sit on</p>	<p style="text-align: right;">Page 240</p> <p>1 Michael Plummer</p> <p>2 Q. There you're talking about the</p> <p>3 wealth in America, correct?</p> <p>4 A. Right. I was specifically refer to</p> <p>5 the Post War and Contemporary sector where I did</p> <p>6 not take a discount because, unlike the American</p> <p>7 sector, I don't think the collectors in that</p> <p>8 sector care much about the DIA and would be</p> <p>9 quite -- could be voracious in going after some</p> <p>10 of the works in that collection.</p> <p>11 Q. So the paragraph above the quote I</p> <p>12 just read you says:</p> <p>13 "It's also possible American Art</p> <p>14 collectors would respond to keep the works in</p> <p>15 this country. Some of the most expensive works</p> <p>16 purchased at auction have been sold to American</p> <p>17 collectors: Hedge fund manager Steven Cohen</p> <p>18 bought Picasso's "Le Reve" for \$155 million.</p> <p>19 Billionaire financier Leon Black bought one of</p> <p>20 Edward Munch's "The Scream" for \$120 million.</p> <p>21 It's possible that major museums could partner</p> <p>22 with wealthy buyers to keep the most expensive</p> <p>23 works in the United States." Correct?</p> <p>24 A. I didn't say this, this is the</p> <p>25 author's language.</p>

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<p style="text-align: right;">Page 241</p> <p>1 Michael Plummer</p> <p>2 Q. Do you think that's correct?</p> <p>3 A. I don't know. I don't know</p> <p>4 because -- I don't want to speculate on these</p> <p>5 individuals and the logic of this because I</p> <p>6 don't necessarily agree with it.</p> <p>7 Q. There would be wealthy Americans</p> <p>8 who might want to keep American Art in America,</p> <p>9 correct?</p> <p>10 A. Well, American Art wouldn't --</p> <p>11 there are no buyers for American Art outside of</p> <p>12 America. I'm saying American Art will be</p> <p>13 difficult to sell at all because the collector</p> <p>14 base would find the collection tainted.</p> <p>15 Q. Even private individuals, like</p> <p>16 these wealthy hedge fund owners?</p> <p>17 A. Well, these hedge fund owners don't</p> <p>18 buy American Art.</p> <p>19 Q. Is that your statement?</p> <p>20 A. Let me clarify. We're talking</p> <p>21 about American Art pre-1950; all of the examples</p> <p>22 here are Contemporary Art or Modern Art. Steve</p> <p>23 Cohen does not buy American Art pre-1950, Leon</p> <p>24 Black, to my knowledge, doesn't buy American Art</p> <p>25 pre-1950, so I don't think that this is really</p>	<p style="text-align: right;">Page 243</p> <p>1 Michael Plummer</p> <p>2 Q. So in addition to the fair market</p> <p>3 value evaluation, you added additional elements</p> <p>4 that you refer to as factors that are not taken</p> <p>5 into account in the standard appraisal, correct?</p> <p>6 A. Correct.</p> <p>7 Q. Is there a reason why you wouldn't</p> <p>8 have included those factors in your appraisal to</p> <p>9 begin with, why those factors wouldn't be</p> <p>10 included if you're really trying to get a fair</p> <p>11 market value?</p> <p>12 Doesn't that mean when you said</p> <p>13 earlier what a willing seller would sell at and</p> <p>14 what a willing buyer would buy at?</p> <p>15 MR. IRWIN: Form.</p> <p>16 A. I felt that the way to get the most</p> <p>17 transparent and accurate -- the most transparent</p> <p>18 and logical approach was to apply it en mass so</p> <p>19 that the reasoning could be understood. I'll</p> <p>20 give you a counter-example which is that Wiener</p> <p>21 approach provided a supplement, he did it piece</p> <p>22 by piece, but it's not transparent. So it's not</p> <p>23 understandable what methodology he used and how</p> <p>24 he applied it. Here you can see my logic, you</p> <p>25 can understand it and you can debate it.</p>
<p style="text-align: right;">Page 242</p> <p>1 Michael Plummer</p> <p>2 relevant to the point I'm making.</p> <p>3 They do buy Contemporary Art, which</p> <p>4 I mentioned earlier was a sector that I do think</p> <p>5 that this logic -- the logic that buyers would</p> <p>6 bid in that area.</p> <p>7 Q. Let's go to page 26 of your report.</p> <p>8 Paragraph 39 you state:</p> <p>9 "In this section, I anticipate and</p> <p>10 quantify various different potential factors</p> <p>11 that, based on either current market conditions</p> <p>12 or historic precedent, are likely to have a</p> <p>13 financial effect on the sale of the art from the</p> <p>14 DIA collection. Many of these factors are not</p> <p>15 taken into account in any standard appraisal or</p> <p>16 fair market situation. I also apply the</p> <p>17 discount factors for various sale scenarios."</p> <p>18 Do you see that?</p> <p>19 A. Um-hum.</p> <p>20 Q. Now we've discussed some of these</p> <p>21 issues before, correct?</p> <p>22 A. Um-hum.</p> <p>23 Q. Didn't you say that you conducted a</p> <p>24 fair market value evaluation, correct?</p> <p>25 A. Correct.</p>	<p style="text-align: right;">Page 244</p> <p>1 Michael Plummer</p> <p>2 Q. Would you agree with me that some</p> <p>3 appraisers, like even some you're familiar with,</p> <p>4 would include some of the factors you used in</p> <p>5 coming at an appraisal value?</p> <p>6 A. They might consider some of them</p> <p>7 for certain pieces but not for others, some of</p> <p>8 these they wouldn't consider the all.</p> <p>9 Q. Let me go through your opinions and</p> <p>10 get some information on the basis other than</p> <p>11 what might be here. So on paragraph 41 which is</p> <p>12 on page 26 you say:</p> <p>13 "An immediate liquidation of the</p> <p>14 art collection will result in selling the DIA</p> <p>15 collection at a fraction of its fair market</p> <p>16 value."</p> <p>17 Do you see that?</p> <p>18 A. Um-hum.</p> <p>19 Q. What's the basis of that</p> <p>20 conclusion?</p> <p>21 A. Well, I give examples below, or the</p> <p>22 example below, the Matisse collection, which is</p> <p>23 a classic example of that. I think that you</p> <p>24 could even look at the offers on the table for</p> <p>25 that Houlihan Lokey brought forward as actually</p>

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<p style="text-align: right;">Page 245</p> <p>1 Michael Plummer</p> <p>2 examples of exactly that, that they are offers</p> <p>3 to get a block of property below value and at a</p> <p>4 serious discount.</p> <p>5 Q. So the reason why an immediate sale</p> <p>6 would bring a fraction of it, other than the</p> <p>7 examples you've given would be what, there's too</p> <p>8 much art on the market at one time; is that it?</p> <p>9 A. There are actually various points</p> <p>10 to support this. One is this real-life example</p> <p>11 of Acquavella. Two is that if you put too much</p> <p>12 of a certain thing on the market you will</p> <p>13 depress prices, which is a blockage discount.</p> <p>14 Three, there is the fact that I use as a rule of</p> <p>15 thumb -- I mean, in the art market it is</p> <p>16 standard practice that the loan to value ratio</p> <p>17 for an art loan is 50 percent.</p> <p>18 And the logic behind that, and this</p> <p>19 is something that I -- when I mentioned to you</p> <p>20 that I was setting up lending capacities with</p> <p>21 banks at Christie's, this is a philosophy I got</p> <p>22 into with great complexity with the underwriters</p> <p>23 at various banks that the -- this is a</p> <p>24 long-standing tradition in the art market,</p> <p>25 because 50 percent is felt to be a -- the most</p>	<p style="text-align: right;">Page 247</p> <p>1 Michael Plummer</p> <p>2 works of art if they have sold quickly. So I</p> <p>3 didn't need to do a survey, this is based on</p> <p>4 real world experience.</p> <p>5 Q. So in your experience, how many</p> <p>6 loans have you participated in to date?</p> <p>7 A. I don't know, but many.</p> <p>8 Q. More than 10?</p> <p>9 A. More than 10.</p> <p>10 Q. More than 20?</p> <p>11 A. Possibly. I haven't kept count.</p> <p>12 Q. More than 30?</p> <p>13 A. Possibly. I don't remember.</p> <p>14 Q. What would be your outside number?</p> <p>15 A. I don't know. There are not just</p> <p>16 loans that have gone through, there are loans</p> <p>17 that have been negotiated that have not gone</p> <p>18 through. There are multiple discussions for</p> <p>19 things that don't come to fruition.</p> <p>20 Q. I'm trying to understand the basis</p> <p>21 for your opinion. Based on the experience that</p> <p>22 you have just described, possibly more than 30</p> <p>23 as you put it; you're saying that those loans</p> <p>24 take the art as collateral under the assumption</p> <p>25 that on a quick sale it would only get</p>
<p style="text-align: right;">Page 246</p> <p>1 Michael Plummer</p> <p>2 valid number for a fast sale of a work of art</p> <p>3 which is why it is used in lending.</p> <p>4 That is supported by the fact that</p> <p>5 nearly every lender uses that number. Now,</p> <p>6 notwithstanding that, Art Capital Group used</p> <p>7 20 percent in its offer to the DIA, but that's</p> <p>8 an exceptional circumstance and an exceptional</p> <p>9 offer.</p> <p>10 Q. So beyond your experience with</p> <p>11 Citibank, were there any other studies that you</p> <p>12 relied on for the 50 percent number?</p> <p>13 A. No. I'm saying that there were no</p> <p>14 studies. I'm saying that with my experience</p> <p>15 with all the art -- I have a relationship with</p> <p>16 all of the art lenders in the art industry and</p> <p>17 do business with most of them. I'm saying that</p> <p>18 the practices amongst all of them, and including</p> <p>19 Sotheby's and Christie's, and in developing the</p> <p>20 art lending program at Christie's where we use</p> <p>21 the same practice, it is 50 percent.</p> <p>22 It is 50 percent because that has</p> <p>23 been a long-standing custom, business custom in</p> <p>24 the art world, that that is a value you can</p> <p>25 expect to get from a work of art or a group of</p>	<p style="text-align: right;">Page 248</p> <p>1 Michael Plummer</p> <p>2 50 percent of whatever the value is?</p> <p>3 A. Right.</p> <p>4 Q. So for collateral purposes, if they</p> <p>5 had to have a quick sale then they would assume</p> <p>6 they would only get 50 percent; and that's the</p> <p>7 point you're making, correct?</p> <p>8 A. Yes.</p> <p>9 Q. Then you extend that analysis and</p> <p>10 say so, if there had to be a quick sale of the</p> <p>11 DIA art, you would expect that the most you</p> <p>12 would get is 50 percent of what its value is; is</p> <p>13 that what you're saying?</p> <p>14 A. That is what I'm saying. I'm</p> <p>15 saying that it's based on not just that loan</p> <p>16 criteria, but also the real world experience of</p> <p>17 Acquavella, and also the current offers on the</p> <p>18 table for the DIA collection from Houlihan</p> <p>19 Lokey. I think that they reflect that kind of</p> <p>20 thinking and valuation.</p> <p>21 Q. Why do you assume that there would</p> <p>22 have to be a quick sale of the loan to the DIA</p> <p>23 for its art?</p> <p>24 A. I'm not assuming there has to be.</p> <p>25 I'm assuming that if this route were taken this</p>

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<p style="text-align: right;">Page 249</p> <p>1 Michael Plummer</p> <p>2 would be the outcome.</p> <p>3 Q. If there were a quick sale?</p> <p>4 A. If there were a quick sale. Which</p> <p>5 is one of the reasons why I laid this out in</p> <p>6 this manner, so that we could debate which</p> <p>7 scenarios might take place. I'm not assuming</p> <p>8 that one scenario or another would take place,</p> <p>9 that's for the Court to decide, or the DIA to</p> <p>10 decide, or the City of Detroit to decide; I'm</p> <p>11 just describing what would happen in various</p> <p>12 scenarios.</p> <p>13 Q. So then following your logic, if</p> <p>14 there wasn't a quick sale then this factor</p> <p>15 wouldn't apply; if there was a sale over time,</p> <p>16 over a long period of time?</p> <p>17 A. I outlined that scenario later on</p> <p>18 and I do not use a blockage discount in that</p> <p>19 scenario.</p> <p>20 Q. In the Matisse example that you</p> <p>21 provided, that you were referring to earlier, do</p> <p>22 you know what the loss factor was there?</p> <p>23 A. I don't. That data wasn't</p> <p>24 available to me.</p> <p>25 Q. Did you do the analysis?</p>	<p style="text-align: right;">Page 251</p> <p>1 Michael Plummer</p> <p>2 Q. What do you qualify as a short</p> <p>3 period of time?</p> <p>4 A. I don't think I specified here, but</p> <p>5 I would say anything other than an orderly</p> <p>6 liquidation which is given, and the other</p> <p>7 example would be a short period of time.</p> <p>8 Q. I have no idea what that means.</p> <p>9 What would you say is an ordinary liquidation?</p> <p>10 A. Further on I do say what an orderly</p> <p>11 liquidation is, five to eight years is what I</p> <p>12 say.</p> <p>13 Q. So anything other than a five to</p> <p>14 eight year sale would be a short period of time?</p> <p>15 A. Yes. I mean, I hadn't thought</p> <p>16 about three, five years or whatnot; but I would</p> <p>17 say if you sold it in a one to two-year period</p> <p>18 you would be facing a liquidation issue.</p> <p>19 Q. Let me see if I get this right. A</p> <p>20 one to two-year period you clearly would be</p> <p>21 facing a blockage discount, correct?</p> <p>22 A. Or a liquidation discount.</p> <p>23 Q. Or a liquidation discount, but</p> <p>24 maybe beyond that it would depend?</p> <p>25 A. Correct, it would depend.</p>
<p style="text-align: right;">Page 250</p> <p>1 Michael Plummer</p> <p>2 A. I count the numbers from Sotheby's</p> <p>3 report. That data is internal Sotheby's data</p> <p>4 and it's not available.</p> <p>5 Q. Let's turn to the blockage discount</p> <p>6 again, page 27 of your report. You state that a</p> <p>7 blockage discount is similar to an immediate</p> <p>8 liquidation discount, correct?</p> <p>9 A. Correct.</p> <p>10 Q. But results from selling a large</p> <p>11 group of similar items in a short time, correct?</p> <p>12 A. Correct.</p> <p>13 Q. That's what you describe as a</p> <p>14 blockage discount?</p> <p>15 A. Right.</p> <p>16 Q. Is there anything else you would</p> <p>17 describe as a blockage discount?</p> <p>18 MR. IRWIN: Form.</p> <p>19 A. I don't know what you're really</p> <p>20 asking me. I think this is sufficient for the</p> <p>21 purposes here.</p> <p>22 Q. So this assumes that the pieces</p> <p>23 would be sold in a short period of time again,</p> <p>24 correct?</p> <p>25 A. Yes, it is.</p>	<p style="text-align: right;">Page 252</p> <p>1 Michael Plummer</p> <p>2 Q. So if the items were not sold in</p> <p>3 the short period of time, then again this</p> <p>4 blockage discount might not apply, correct?</p> <p>5 A. Correct.</p> <p>6 Q. What is the blockage discount that</p> <p>7 you applied?</p> <p>8 A. In this instance I -- well, I</p> <p>9 really treat it as liquidation discount, which</p> <p>10 is 50 percent.</p> <p>11 Q. So you used that same 50 percent</p> <p>12 number?</p> <p>13 A. Yeah, in the charts I didn't</p> <p>14 differentiate, I only applied one discount, a</p> <p>15 liquidation discount. I didn't differentiate</p> <p>16 between blockage and liquidation.</p> <p>17 Q. Again, do you have any studies to</p> <p>18 support the application of this discount rate</p> <p>19 and the blockage discount?</p> <p>20 A. No. I rely on the data that I just</p> <p>21 gave you on the liquidation discount.</p> <p>22 MR. IRWIN: For clarification</p> <p>23 purposes. When you're asking these questions do</p> <p>24 you mean other than what's stated in the report?</p> <p>25 MR. SOTO: No. He gives me the</p>

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1 Michael Plummer
2 data in his report, I've looked at that and I'm
3 asking him if there's anything other than that,
4 because in his report he doesn't have any
5 studies, so I'm asking him if there are any
6 studies.

7 A. I think studies are irrelevant. I
8 have real-life experience and I've given you the
9 examples.

10 Q. So you have real-life experience
11 for a number of the loans?

12 A. No, I have real-life experience for
13 the number of lenders. It is common policy
14 amongst all art lenders to use 50 percent. It's
15 not just my experience with my loans, it's my
16 experience with knowing what Citibank does, what
17 JPMorgan does; and having conversations on a
18 regular basis with Citibank, with JPMorgan, with
19 Chase and HSBC, with Barclays, with all of these
20 institutions.

21 Q. Do you think as an expert that that
22 makes it a more reliable factor, that a lender
23 which would want to have collateral for their
24 loan requires a 50 percent valuation of an item
25 they're taking in as collateral, that somehow

1 Michael Plummer
2 that's indicative of what the market would be?

3 A. That is their view of a liquidation
4 value, and having worked through liquidations at
5 Sotheby's and Christie's that has turned out to
6 be generally a fair number to use in real life.

7 Q. So that's what I was asking. I'm
8 asking you for real-life examples; not what a
9 banker that wants to make a loan might want for
10 his collateral, but in fact what an immediate
11 sale brings in.

12 In your experience, how many
13 immediate sales did you work on at Sotheby's?

14 A. At Sotheby's and Christie's, I
15 don't remember because that's a long time ago;
16 but there were a number of them that I either
17 worked on or reviewed in the prospect of setting
18 up the program at Christie's, and 50 percent was
19 a valid number to use.

20 Q. So what you're saying is that in
21 your experience and this unknown number of
22 immediate sales, that what you would expect to
23 get for a valued piece of art is about
24 50 percent of whatever its value was?

25 A. Correct. I'm working on a

1 Michael Plummer
2 liquidation issue right now with a client who's
3 defaulted, and we are expecting 50 percent.

4 Q. Is there any publicly available
5 data that we can review to determine the
6 validity of your opinion?

7 A. No, but I would suggest if you
8 wanted to speak to some of the banks that I've
9 referenced, they would probably support my
10 opinion.

11 Q. Right. Again, the banks are
12 looking for collateral. I'm asking for publicly
13 available data on sales?

14 A. I think if you would ask some of
15 the banks about some of their liquidations you
16 might find data.

17 MR. IRWIN: Outside of the report?
18 Outside of the example, the Acquavella example
19 that he gives in the report?

20 MR. SOTO: Right.

21 MR. IRWIN: So other than
22 Acquavella.

23 MR. SOTO: We've already seen
24 Acquavella. Acquavella doesn't come to
25 50 percent by the way, but that's a different

1 Michael Plummer
2 issue.

3 BY MR. SOTO:

4 Q. Is there any privately available
5 data that you could point me to that in
6 immediate sales sellers realize, generally
7 speaking, 50 percent of the value of their art?

8 A. I don't know what else I can point
9 you to.

10 Q. You state that the IRS for tax
11 purposes uses a discount range between
12 25 percent and 46 percent?

13 A. Yes.

14 Q. That's a pretty wide range,
15 correct?

16 A. Correct.

17 Q. What is that rate based on?

18 A. It's based on the precedence set in
19 the case in the estates of David Smith and
20 Georgia O'Keeffe, as I outlined here.

21 Q. Would you agree with me that the
22 blockage discount applied for tax purposes is
23 different than that applied in a sale itself?

24 A. Yes.

25 Q. Looking at page 27 of your opinion.

<p style="text-align: right;">Page 257</p> <p>1 Michael Plummer</p> <p>2 We're on paragraph 44 where you talk about</p> <p>3 unsold rates. Your report states, "Standard</p> <p>4 appraisals and valuations do not take into</p> <p>5 account auction unsold rates."</p> <p>6 Do you see that?</p> <p>7 A. Yes.</p> <p>8 Q. Again, when you refer to "unsold</p> <p>9 rates" are you referring to what you testified</p> <p>10 about earlier, which is items that would have</p> <p>11 been offered for sale at an auction, but didn't</p> <p>12 actually sell?</p> <p>13 A. Correct.</p> <p>14 Q. Then those auctions would be --</p> <p>15 those items would be then either given back to</p> <p>16 the original owner or offered again at a lower</p> <p>17 rate?</p> <p>18 A. Correct.</p> <p>19 Q. Is that it?</p> <p>20 A. Correct.</p> <p>21 Q. That's the unsold rate. Is it</p> <p>22 possible, I mean I see your statement, but I'm</p> <p>23 wondering is it even possible to factor this in</p> <p>24 advance of a sale?</p> <p>25 How do you know what's not going to</p>	<p style="text-align: right;">Page 259</p> <p>1 Michael Plummer</p> <p>2 market and the unsold rates are part of that</p> <p>3 illiquidity problem.</p> <p>4 So if you have an appraisal that</p> <p>5 says that you have \$100 million worth of</p> <p>6 property, and you're expecting to get \$100</p> <p>7 million worth of cash when \$20 million of that</p> <p>8 isn't go to sell, you have a illiquid value of</p> <p>9 \$80 million, and that's a big variance.</p> <p>10 Q. You don't think you're taking the</p> <p>11 unsold rate and discount it and factor it in</p> <p>12 twice?</p> <p>13 In other words, what you're saying</p> <p>14 is the unsold rate is if you don't take it into</p> <p>15 account you're distorting the overall value of</p> <p>16 the collection because there's going to be</p> <p>17 something that isn't sold.</p> <p>18 Then you're also saying that in</p> <p>19 addition to that, you're overstating the</p> <p>20 liquidity and another factor has to be taken in?</p> <p>21 A. No.</p> <p>22 Q. It's that same factor?</p> <p>23 A. It's the same factor.</p> <p>24 Q. Okay. I just want to make sure.</p> <p>25 You state that the average unsold rate is</p>
<p style="text-align: right;">Page 258</p> <p>1 Michael Plummer</p> <p>2 sell in advance of a sale?</p> <p>3 A. Well, you don't, but you can say</p> <p>4 you're going to sell 100 percent of the property</p> <p>5 is the point I'm making. So to take the full</p> <p>6 valuation and expect that you're going to get</p> <p>7 that valuation, and not account for unsold, is</p> <p>8 an incorrect way to determine your value,</p> <p>9 because you have a rather substantial amount</p> <p>10 that's going to remain unsold. I think it's</p> <p>11 particularly misleading in a situation like this</p> <p>12 where decisions are being made on the ultimate</p> <p>13 value.</p> <p>14 Q. Why is that?</p> <p>15 A. Well, because I think if you don't</p> <p>16 include it, it overstates the value and</p> <p>17 liquidity.</p> <p>18 Q. I see what you mean. Let me see if</p> <p>19 I see what you mean. You mean it overstates the</p> <p>20 value of the overall collection because there</p> <p>21 will be some that won't be sold?</p> <p>22 A. And it also overstates the</p> <p>23 liquidity, and the liquidity is something that</p> <p>24 we write and talk about in the market a lot,</p> <p>25 because the market is an extremely illiquid</p>	<p style="text-align: right;">Page 260</p> <p>1 Michael Plummer</p> <p>2 20 percent, correct?</p> <p>3 Again, let me ask you, what's the</p> <p>4 source of those rates?</p> <p>5 A. It's in the back, it's an exhibit</p> <p>6 in the back. It's the Christie's and Sotheby's</p> <p>7 data actually which Wiener used for his own</p> <p>8 estimates of the collection.</p> <p>9 Q. Your chart also lists the average</p> <p>10 unsold rates for different sectors, correct?</p> <p>11 A. Yes.</p> <p>12 Q. That's because you're taking it</p> <p>13 from the Christie's and Sotheby's data for</p> <p>14 different sectors?</p> <p>15 A. Yes.</p> <p>16 Q. Why did you apply an average unsold</p> <p>17 rate of 20 percent when the data that you</p> <p>18 supplied you used an average rate of 20 percent?</p> <p>19 A. I'm sorry?</p> <p>20 Q. You applied an average unsold rate</p> <p>21 of 25 percent for the DIA. Look at page 28,</p> <p>22 Table 4?</p> <p>23 A. What page are you on?</p> <p>24 Q. Page 28 of your report, it's got a</p> <p>25 table. Correct me if I'm reading this wrong.</p>

65 (Pages 257 to 260)

1 Michael Plummer
 2 You have your top four sectors listed, correct?
 3 A. Right.
 4 Q. Then you have a balance of
 5 collection 20 percent, 25 percent. So the
 6 average you used, if I'm understanding it right,
 7 it says here in D:
 8 "It is important to note that much
 9 of this unsold property could and would be sold
 10 over time, but it is customary business practice
 11 to devalue a work by 20% of the low estimate
 12 after it has bought in."
 13 So you're saying here's going to be
 14 the average?
 15 A. Right.
 16 Q. I thought you were saying the
 17 average unsold was 20 percent, so you do a
 18 discount of 20 percent for the unsold. You do a
 19 discount of the entire valuation because
 20 20 percent of it is going to be unsold, correct?
 21 A. I'm not discounting the collection
 22 here, I'm just showing what the potential of the
 23 BIs could be. I actually do it differently in
 24 the present value calculation, where I actually
 25 do a more thorough analysis where I discount the

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 2 unsold and then I add them back in a few years
 3 later after -- at a 20 percent valuation.
 4 So that's more reflective of my
 5 thinking on this. This was just an illustrative
 6 of the potential for unsold in different
 7 categories.
 8 Q. So this is just illustrating the
 9 potential into categories, but when you did the
 10 calculation you did use a 20 percent discount
 11 value?
 12 A. I did use the 20 percent discount
 13 value.
 14 Q. That's what I'm trying to get at.
 15 Page 28, paragraph 45. In your report you state
 16 that:
 17 "The size of a liquidation of the
 18 DIA collection would be beyond Christie's and
 19 Sotheby's guarantee capacities."
 20 What's the basis of that
 21 conclusion?
 22 A. The basis of that is the Sotheby's
 23 financial statement with their loan limitations,
 24 which I dictate below. I also, having been
 25 inside Christie's and knowing their balance

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 2 sheet, and knowing their balance sheet
 3 limitations, I know what they have to spend on
 4 guarantees and what their limitations are.
 5 Q. So it's your assumption then that
 6 if they wanted to participate in something like
 7 this, they couldn't get any other financing to
 8 be able to participate in it?
 9 A. I think that this would be a very
 10 large level of risk, and in the past when
 11 Sotheby's and Christie's were presented with
 12 collections of this size they have chosen not to
 13 go out and get a financing partner for it. So
 14 based on past experience I would say so.
 15 Q. But you don't know if that's a set
 16 policy, correct?
 17 A. I don't know if it's a set policy.
 18 Q. It's been a while since you worked
 19 for either Sotheby's or Christie's?
 20 A. It's been a while since I worked
 21 for either Sotheby's or Christie's.
 22 Q. You state that on page 29,
 23 paragraph 46 --
 24 A. We're assuming that Sotheby's and
 25 Christie's would be wanting to sell them in the

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 2 first place.
 3 Q. I'm just asking the questions, I'm
 4 not assuming what they would do. Do you?
 5 A. No.
 6 Q. Paragraph 46, page 29. You state
 7 in your report that the auction houses may,
 8 "refuse to sell due to the controversy
 9 surrounding a disposition and potential damage
 10 to their brand and relationships with the
 11 broader Museum community"?
 12 A. Yes.
 13 Q. You testified about this earlier?
 14 A. Correct.
 15 Q. Do you have anything more to add to
 16 that testimony that you recollect, now that
 17 you're looking at your opinion here?
 18 A. No, I think I covered this, I
 19 covered this earlier.
 20 Q. I didn't ask you earlier. Did you
 21 speak to anyone at Christie's about this
 22 opinion?
 23 A. Someone at Christie's expressed
 24 their opinion to me in a social setting.
 25 Q. Off the record?

<p style="text-align: right;">Page 265</p> <p>1 Michael Plummer</p> <p>2 A. Off the record.</p> <p>3 Q. And you couldn't give me their name</p> <p>4 because you promised not to?</p> <p>5 A. Yes.</p> <p>6 Q. What about Sotheby's?</p> <p>7 A. I did not have a conversation with</p> <p>8 Sotheby's about it.</p> <p>9 Q. Christie's did complete and submit</p> <p>10 their report that you relied on in your opinion,</p> <p>11 correct?</p> <p>12 A. Um-hum.</p> <p>13 Q. So despite what you described</p> <p>14 earlier as bad press they didn't back out of it,</p> <p>15 they finished the work and they got it done,</p> <p>16 correct?</p> <p>17 A. Correct.</p> <p>18 Q. You also note that the impact of</p> <p>19 not selling through Sotheby's or Christie's</p> <p>20 would reduce the sale value by 20 to 40 percent?</p> <p>21 A. Right.</p> <p>22 Q. Other than your subjective belief</p> <p>23 that it would reduce it by 20 to 40 percent not</p> <p>24 to sell it through Sotheby's and Christie's,</p> <p>25 what is the basis of this discount factor?</p>	<p style="text-align: right;">Page 267</p> <p>1 Michael Plummer</p> <p>2 "For a collection of the magnitude</p> <p>3 of the DIA's, maximizing art asset value</p> <p>4 requires selling over a minimum of five to eight</p> <p>5 years." Correct?</p> <p>6 A. Um-hum.</p> <p>7 Q. That's what you testified about</p> <p>8 just a moment ago, correct?</p> <p>9 A. Correct.</p> <p>10 Q. What is that estimated time period</p> <p>11 based on?</p> <p>12 A. Well, I mentioned much earlier in</p> <p>13 the testimony that that is essentially the plan</p> <p>14 of almost any art investment structure out</p> <p>15 there, that it would be a six to eight year</p> <p>16 period. That's just a commonly held belief and</p> <p>17 practice that the market can only absorb so much</p> <p>18 material at a time, and if you're going to</p> <p>19 maximize value you need to have a lengthy, a</p> <p>20 long enough ramp time so that you can pick and</p> <p>21 choose your seasons and your periods and put the</p> <p>22 property in the right auctions.</p> <p>23 Q. I'm glad you clarified that,</p> <p>24 because I thought when you were testifying</p> <p>25 earlier, that what you were saying is if you</p>
<p style="text-align: right;">Page 266</p> <p>1 Michael Plummer</p> <p>2 MR. IRWIN: Form. Go ahead.</p> <p>3 A. The basis is I have samples of</p> <p>4 others earlier in the report where the valuation</p> <p>5 ranges in works of art by various artists are</p> <p>6 off by a larger percentage than that. So I felt</p> <p>7 this was a conservative approach based on those</p> <p>8 examples I gave, and my own personal experience</p> <p>9 of buying in the marketplace on behalf of the</p> <p>10 buyers and selling.</p> <p>11 Q. The examples you're referring to</p> <p>12 are the examples in the report?</p> <p>13 A. In the report.</p> <p>14 Q. Any others?</p> <p>15 A. No.</p> <p>16 Q. Given the volume of the artworks at</p> <p>17 the DIA, wouldn't it be wise to sell that many</p> <p>18 artworks to a variety of sources, including</p> <p>19 maybe a variety of auction houses?</p> <p>20 A. You could do it, I just believe</p> <p>21 that if you sell other than at Sotheby's and</p> <p>22 Christie's you won't get the prices.</p> <p>23 Q. Let me ask you to turn to page 31.</p> <p>24 We're just flying through this thing, paragraph</p> <p>25 49. You state that:</p>	<p style="text-align: right;">Page 268</p> <p>1 Michael Plummer</p> <p>2 were going to set up an investment fund you have</p> <p>3 to hold the art for five to eight years before</p> <p>4 you begin the process of selling, so that it has</p> <p>5 some ability to increase in value; but you were</p> <p>6 saying something different now?</p> <p>7 A. No, I'm not. I'm saying the same</p> <p>8 thing. I'm saying that you would hold the art</p> <p>9 for a couple -- you would sell the art from a</p> <p>10 fund over a five to eight year period as well,</p> <p>11 so I'm saying it's consistent.</p> <p>12 Q. You don't have to hold it for a</p> <p>13 five to eight year period then begin to sell it,</p> <p>14 just sell it over a five to eight year period?</p> <p>15 A. Sell it over a five to eight year</p> <p>16 period.</p> <p>17 Q. Thank you. Do you have any</p> <p>18 reliable sources or studies to support this?</p> <p>19 MR. IRWIN: Form.</p> <p>20 A. I do not have anything other than</p> <p>21 common art investment fund practice. However, I</p> <p>22 would say if you wanted to look at the offering</p> <p>23 documents of most of the art investment funds</p> <p>24 out there you would find that strategy</p> <p>25 articulated.</p>

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1 Michael Plummer
2 Q. Paragraph 32 -- page 32, paragraph
3 50. Looking at number C. You say, "Based on
4 other museum deaccessions to pay debts." Do you
5 see that?

6 A. Yes.

7 Q. What other art museums do you know
8 that have had deaccessions to pay debts?

9 A. The de Valera Museum.

10 Q. Any others?

11 A. Well, the Fisk was one that was
12 attempted but blocked, and then it went through,
13 but under the agreement of the Attorney General.

14 Q. So you have Delaware and Fisk in
15 Tennessee, correct?

16 A. Yes.

17 Q. Anywhere else?

18 A. Then there is also the attempted
19 sale of the Rose Museum by Brandeis, but that
20 sort of got stopped dead in its tracks. It
21 didn't even make it to the point of sale because
22 of the public outcry.

23 Q. The rose Museum by Brandeis
24 University?

25 A. Yes.

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2 Q. Any others?

3 A. Those are the only ones that I
4 report and those are the only ones that I am
5 aware of at the moment.

6 Q. You say, "Court challenges are
7 likely from the Michigan Attorney General." Do
8 you see that?

9 A. Um-hum.

10 Q. What is the basis of that? Have
11 you spoken to somebody at the Michigan Attorney
12 General's office?

13 A. No. Based on what has happened to
14 various sales in New York and other places, I
15 would expect that the Attorney General and also
16 the Attorney General has come out, yes, the
17 Attorney General has come out as a matter of
18 record and says that he opposes the sale. So it
19 would be logical to assume that he would bring
20 action as Attorney General, as other states
21 have.

22 Q. When you say the Attorney General
23 has come out and said he opposes the sale, are
24 you basing that on the Attorney General's
25 opinion that the art is held in trust?

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2 A. Yes.

3 Q. Is there anything else that you're
4 basing it on?

5 A. And basing it on the activities of
6 the New York Attorney General of various sales,
7 and the Attorney General of the State of
8 Tennessee.

9 Q. So assuming the situations in
10 Tennessee and New York are not the same because
11 they weren't dealing with a city-owned museum, a
12 publicly-owned museum; do you have any other
13 reason to think that a Michigan State Attorney
14 General would oppose the sale?

15 MR. IRWIN: Form.

16 A. That's not entirely true because
17 the Fisk example and the New York Attorney
18 General issues on other instances pertained to
19 the sale of property that was gifted; and we're
20 not just talking about the City of Detroit
21 purchase property, we're talking about gifted
22 property that was bequested and has
23 restrictions.

24 So it is not an assumption, or
25 illogical to assume, that the Attorney General

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2 of Michigan would step in and block the sale of
3 property that had been gifted to as a bequest or
4 whatever.

5 Q. Did you or anyone else at Artvest
6 do an analysis of the legal structure that
7 existed in Tennessee with respect to the Fisk
8 Museum?

9 A. That was beyond the scope of our
10 job.

11 Q. The answer is no then, correct?

12 A. No.

13 Q. Did you or anyone else at Artvest
14 do a legal analysis of the structure of the
15 legal position that was involved in the New York
16 example that you are giving?

17 A. No.

18 Q. Did you or anyone else at Artvest
19 do an analysis of the legal structure involved
20 in the Delaware Museum?

21 A. No, we did not.

22 Q. Did you retain anyone else to do
23 it?

24 A. We did not. May we take a break?

25 MR. SOTO: Absolutely.

<p style="text-align: right;">Page 273</p> <p>1 Michael Plummer</p> <p>2 THE VIDEOGRAPHER: The time is</p> <p>3 4:26 p.m., and we're going off the record.</p> <p>4 (Short break taken)</p> <p>5 THE VIDEOGRAPHER: The time is</p> <p>6 4:40 p.m., and we're back on the record.</p> <p>7 BY MR. SOTO:</p> <p>8 Q. Looking at page 32, paragraph 50 C.</p> <p>9 Beyond what you've testified about already</p> <p>10 regarding why you think litigation challenges</p> <p>11 are possible, and what you have in your report;</p> <p>12 beyond those two things, is there anything else</p> <p>13 that you rely on to support that opinion?</p> <p>14 A. No.</p> <p>15 Q. So in your statement such as those</p> <p>16 on page 39 of your report where you say, make</p> <p>17 sure I'm quoting it right, "Heirs of former</p> <p>18 donors as well as current donors are likely</p> <p>19 to" --</p> <p>20 MR. IRWIN: Are you in the middle</p> <p>21 of the page?</p> <p>22 MR. SOTO: Yes. I'm trying to find</p> <p>23 it myself.</p> <p>24 A. What page are you on?</p> <p>25 MR. IRWIN: He's on 39.</p>	<p style="text-align: right;">Page 275</p> <p>1 Michael Plummer</p> <p>2 A. Yes.</p> <p>3 Q. Again, you didn't do any analysis</p> <p>4 of the Fisk litigation?</p> <p>5 A. No.</p> <p>6 Q. You don't know what was involved</p> <p>7 this?</p> <p>8 A. No.</p> <p>9 Q. You know it didn't involve a</p> <p>10 City-owned museum, correct?</p> <p>11 A. I know it did involve the intention</p> <p>12 of the bequester, and that was at the heart of</p> <p>13 the matter.</p> <p>14 Q. Did you do an analysis of the</p> <p>15 intentions? I think I asked you about this</p> <p>16 earlier, but if I didn't I should ask it now,</p> <p>17 and if I did let me know.</p> <p>18 Did you do an analysis of any of</p> <p>19 the restrictions that might exist on the</p> <p>20 transfer of any of the art that's now part of</p> <p>21 the DIA collection?</p> <p>22 A. I think you did ask it but I'll</p> <p>23 answer it again, I did not.</p> <p>24 Q. Thanks for being patient with me.</p> <p>25 In paragraph -- well it's page 36 of your</p>
<p style="text-align: right;">Page 274</p> <p>1 Michael Plummer</p> <p>2 MR. SOTO: I thought I was on 39.</p> <p>3 MR. IRWIN: You are, you were a</p> <p>4 third of the way down.</p> <p>5 MR. SOTO: Paragraph C.</p> <p>6 Q. Where you say:</p> <p>7 "Heirs of former donors, as well as</p> <p>8 current donors, many still prominent leaders in</p> <p>9 the Detroit community, and the DIA corporation</p> <p>10 itself, are likely to pursue every legal option</p> <p>11 necessary to stop or delay the sale of any of</p> <p>12 the art potentially, leading to years of</p> <p>13 litigation."</p> <p>14 Do you see that?</p> <p>15 A. Um-hum.</p> <p>16 Q. You didn't talk to anyone else</p> <p>17 about that other than -- did you talk to anybody</p> <p>18 about it?</p> <p>19 A. No.</p> <p>20 Q. You didn't, okay. Looking at your</p> <p>21 table. Is it your assumption that any</p> <p>22 litigation would be a five-year litigation?</p> <p>23 A. Based on the Fisk, yes.</p> <p>24 Q. So you're basing it on the Fisk</p> <p>25 litigation?</p>	<p style="text-align: right;">Page 276</p> <p>1 Michael Plummer</p> <p>2 report, Table 6.</p> <p>3 Here you apply the litigation</p> <p>4 discount factor and reduce the value by an</p> <p>5 additional 2 million, I think it's 2,539,108, do</p> <p>6 you see that?</p> <p>7 A. Right.</p> <p>8 Q. Where did you come up with this</p> <p>9 figure?</p> <p>10 A. It's in the table in the back, the</p> <p>11 calculation is either 70 or 71. I hopes this</p> <p>12 matches the right table with the right</p> <p>13 calculation. So this would match to page 70.</p> <p>14 Q. So page 70 is Exhibit F, Table 8?</p> <p>15 A. Right.</p> <p>16 Q. The present value of orderly</p> <p>17 liquidation?</p> <p>18 A. Right.</p> <p>19 Q. Where does the number come from?</p> <p>20 A. Which number are you asking where</p> <p>21 does that number come from?</p> <p>22 Q. I was asking earlier where did you</p> <p>23 come up with the 2,539,108 as a count for</p> <p>24 litigation?</p> <p>25 A. That is the net effects of these</p>

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<p style="text-align: right;">Page 277</p> <p>1 Michael Plummer</p> <p>2 column-by-column calculations of no income until</p> <p>3 year six, only the expense of carrying the</p> <p>4 collection. Then starting in year seven you</p> <p>5 would sell 20 percent of the collection; year</p> <p>6 eight, 20 percent; year 9, 20 percent; 15 in</p> <p>7 year 10; 15 in year 11.</p> <p>8 Taking out -- adding back the</p> <p>9 unsold property we offer three years later, the</p> <p>10 administrative expenses, and then bringing it</p> <p>11 back to a discounted net present value.</p> <p>12 Q. So this table reflects under</p> <p>13 scenario B, litigation Fisk, correct?</p> <p>14 A. Yes.</p> <p>15 Q. Under less average unsold loss</p> <p>16 factor?</p> <p>17 A. Yes.</p> <p>18 Q. You reflect a 26.20 percent loss</p> <p>19 factor, correct?</p> <p>20 A. Right. Then it's added back.</p> <p>21 Q. Where is it added back?</p> <p>22 A. It's added back in year 10 and year</p> <p>23 11.</p> <p>24 Q. So this is the add-back re-offered</p> <p>25 unsold property?</p>	<p style="text-align: right;">Page 279</p> <p>1 Michael Plummer</p> <p>2 sale after a prolonged litigation (the most</p> <p>3 likely outcome, Scenario D) to \$1.8 billion for</p> <p>4 the present value of an orderly liquidation</p> <p>5 without litigation, a less likely outcome." Do</p> <p>6 you see that?</p> <p>7 A. Yes.</p> <p>8 Q. In paragraph 56 you state that:</p> <p>9 "Using the low estimate value of</p> <p>10 about \$2.7 billion, and assuming all of the</p> <p>11 worst factors, including issues with extended</p> <p>12 litigation and a discount for unsold items, the</p> <p>13 value of the collection would sell for between</p> <p>14 0.9 billion to 1.4 billion," correct?</p> <p>15 A. Correct.</p> <p>16 Q. And your analysis is documented on</p> <p>17 Table 7, well I guess Table 6 and 7 on pages 36</p> <p>18 and 37, correct?</p> <p>19 A. Correct.</p> <p>20 Q. You only apply the discount factors</p> <p>21 to the low and mid estimates, correct?</p> <p>22 A. Correct.</p> <p>23 Q. Why didn't you apply them to the</p> <p>24 high estimate?</p> <p>25 A. Because I don't think that the high</p>
<p style="text-align: right;">Page 278</p> <p>1 Michael Plummer</p> <p>2 A. This table is cut off because this</p> <p>3 goes out for another couple of years, it's just</p> <p>4 cut off here.</p> <p>5 Q. So it goes beyond year 11?</p> <p>6 A. Yeah, it must go on to year 12. I</p> <p>7 don't remember because I don't have it front of</p> <p>8 me.</p> <p>9 Q. Take a look and see if you're</p> <p>10 looking at the same thing I'm looking at?</p> <p>11 A. Yeah. I'm doing this from memory,</p> <p>12 but I think it might go beyond year 11.</p> <p>13 Q. The one I got in the mail didn't.</p> <p>14 So if you have one that does that might be</p> <p>15 helpful?</p> <p>16 A. I could be wrong about this, I'm</p> <p>17 doing this from memory.</p> <p>18 Q. Remember, there's no closed-book</p> <p>19 test here, you can look at everything. So now</p> <p>20 looking at application of discount fees, page</p> <p>21 37, paragraph 56. You state:</p> <p>22 "I conclude that the range of</p> <p>23 values the DIA collection will sell for, using</p> <p>24 the mid estimate value, values, would be between</p> <p>25 1.1 billion for the present value of an orderly</p>	<p style="text-align: right;">Page 280</p> <p>1 Michael Plummer</p> <p>2 estimate is relevant to this case.</p> <p>3 Q. So you created a high estimate</p> <p>4 though, didn't you?</p> <p>5 A. I did create a high estimate, yes.</p> <p>6 Q. You say it's not relevant for what</p> <p>7 reason?</p> <p>8 A. Because of the fact of the areas</p> <p>9 where the property is in, the controversy around</p> <p>10 the collection, disagreeing with Wiener on the</p> <p>11 ability to market it and promote it. The high</p> <p>12 estimate really is something that is reserved</p> <p>13 for things that are really sort of untainted,</p> <p>14 that is just stellar property in a hot area, and</p> <p>15 a lot of the DIA property is not in a hot area</p> <p>16 either. So for all of the reasons that I've</p> <p>17 outlined previously.</p> <p>18 Q. Let me see if your methodology is</p> <p>19 what I think it is. You first said you did a</p> <p>20 valuation, correct?</p> <p>21 A. Um-hum.</p> <p>22 Q. And then you said separate and</p> <p>23 apart from that valuation you applied factors to</p> <p>24 what you valued that appraisers might not apply.</p> <p>25 You gave all specific areas of them and we</p>

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<p style="text-align: right;">Page 281</p> <p>1 Michael Plummer</p> <p>2 testified at length about them today, or you</p> <p>3 did, correct?</p> <p>4 A. Yes.</p> <p>5 Q. So even though you did an</p> <p>6 evaluation that had a low range, a mid range and</p> <p>7 a high range, you didn't apply any of those</p> <p>8 seven factors to the high range, did you?</p> <p>9 A. No.</p> <p>10 Q. So in addition to taking discounts</p> <p>11 for the seven factors that you say you took into</p> <p>12 account that maybe an appraisal wouldn't, you</p> <p>13 were also adding another factor, which is your</p> <p>14 subjective view that gee, this high rate just</p> <p>15 doesn't apply here?</p> <p>16 MR. IRWIN: Form.</p> <p>17 Q. This high evaluation just shouldn't</p> <p>18 even be applied here, correct?</p> <p>19 A. I said in this particular instance</p> <p>20 I didn't think that it applied.</p> <p>21 Q. So why -- how did you set the high</p> <p>22 valuation to begin with? What did you do to set</p> <p>23 the high valuation to begin with? You looked at</p> <p>24 comparables, correct?</p> <p>25 A. Right.</p>	<p style="text-align: right;">Page 283</p> <p>1 Michael Plummer</p> <p>2 MR. IRWIN: Form.</p> <p>3 A. The middle estimate is calculated</p> <p>4 based off of a high estimate. If I were to use</p> <p>5 the high estimate I would be saying that of the</p> <p>6 56,000 items, or whatever number it is, they</p> <p>7 would all be selling for the high estimate.</p> <p>8 That the average selling price of the entire</p> <p>9 collection would be selling at the high</p> <p>10 estimate.</p> <p>11 What I've done is I've used the mid</p> <p>12 estimate, because that assumes that you will be</p> <p>13 getting halfway between the low and the high.</p> <p>14 So I'm accounting for the high by a mid</p> <p>15 estimate, that takes into account the high and</p> <p>16 the low. So the idea that the entire collection</p> <p>17 would sell for at the high level is to me</p> <p>18 inconceivable.</p> <p>19 Q. Let me see if I'm understanding</p> <p>20 that. You did a high estimate and a low</p> <p>21 estimate?</p> <p>22 A. Right.</p> <p>23 Q. And the mid is just literally the</p> <p>24 middle range?</p> <p>25 A. Correct.</p>
<p style="text-align: right;">Page 282</p> <p>1 Michael Plummer</p> <p>2 Q. You looked at all the market data</p> <p>3 that was publicly available, correct?</p> <p>4 A. Right.</p> <p>5 Q. You looked at the indices that you</p> <p>6 paid for from some other not publicly available</p> <p>7 sources, correct?</p> <p>8 A. Right.</p> <p>9 Q. You talked to people that you knew</p> <p>10 within Sotheby's and Christie's and others about</p> <p>11 sales that others might not even know about,</p> <p>12 correct?</p> <p>13 A. Right.</p> <p>14 Q. And you contacted individuals in</p> <p>15 the industry that you have contact with on a</p> <p>16 daily basis because of your position in the</p> <p>17 industry, and because of your position as an art</p> <p>18 fair owner and participant that other people</p> <p>19 don't, correct?</p> <p>20 A. Right.</p> <p>21 Q. You took all that information into</p> <p>22 account in deciding I think a low estimate would</p> <p>23 be this, I think a high estimate would be this,</p> <p>24 and I think a middle estimate would be this,</p> <p>25 correct?</p>	<p style="text-align: right;">Page 284</p> <p>1 Michael Plummer</p> <p>2 Q. So what you're doing in your</p> <p>3 analysis, if I'm understanding it now, I may be,</p> <p>4 is saying look, in calculating what discounts</p> <p>5 I'm going to take after I do my evaluations,</p> <p>6 I'll take the mid range valuation because in</p> <p>7 your mind, having put together the valuations,</p> <p>8 that's the most likely one. Is that correct to</p> <p>9 say?</p> <p>10 A. I'd say it is -- it and the low</p> <p>11 estimate are likely scenarios. I do not think</p> <p>12 that the high estimate is the likely scenario</p> <p>13 because that presupposes that everything would</p> <p>14 come up a high estimate, or higher.</p> <p>15 Q. So your charts show the discounts</p> <p>16 off the low estimates and the discounts off the</p> <p>17 middle estimates, but they don't show the</p> <p>18 discounts off the high estimates?</p> <p>19 A. Correct.</p> <p>20 Q. So with respect to your ultimate</p> <p>21 conclusion, you've simply eradicated the high</p> <p>22 estimate for purposes of coming to your</p> <p>23 conclusion.</p> <p>24 You have a conclusion as to the low</p> <p>25 estimate with discounts and you have a</p>

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<p style="text-align: right;">Page 285</p> <p>1 Michael Plummer</p> <p>2 conclusion as to the mid range with discounts?</p> <p>3 MR. IRWIN: Form.</p> <p>4 A. I don't think that's an accurate</p> <p>5 portrayal because the mid estimate is factored</p> <p>6 by using the high estimate. All I am saying is</p> <p>7 I don't think it is possible to sell everything</p> <p>8 in this collection at an average value of the</p> <p>9 high estimate.</p> <p>10 Q. And you think that it's more likely</p> <p>11 that everything will sell at the low estimate?</p> <p>12 A. I think that it is possible that it</p> <p>13 could sell at the low estimate. Oftentimes</p> <p>14 things sell below the low estimate.</p> <p>15 Q. Wouldn't you agree with me that if</p> <p>16 you took your discounts off the high estimate</p> <p>17 your conclusion would be a higher sale value,</p> <p>18 correct?</p> <p>19 MR. IRWIN: Form.</p> <p>20 A. If I took my conclusions off of the</p> <p>21 high estimate?</p> <p>22 Q. Your discounts?</p> <p>23 A. My discounts, yes, it would be a</p> <p>24 higher valuation.</p> <p>25 Q. And you didn't do that?</p>	<p style="text-align: right;">Page 287</p> <p>1 Michael Plummer</p> <p>2 A. My analysis is based on my business</p> <p>3 practices and the way I conduct my business.</p> <p>4 Q. So when you did your valuations and</p> <p>5 you did your comparables, and you did what all</p> <p>6 that information was and you got information on</p> <p>7 high valued estimates, didn't that take some of</p> <p>8 the market factors into account for those</p> <p>9 estimates?</p> <p>10 A. I don't understand your question.</p> <p>11 Q. So when you do comparables you come</p> <p>12 up with some comparables that are higher and</p> <p>13 some that are lower, correct?</p> <p>14 A. Right.</p> <p>15 Q. That's how you get the high</p> <p>16 estimates and the low estimates, correct?</p> <p>17 A. Right.</p> <p>18 Q. That takes into account market data</p> <p>19 and market information, right?</p> <p>20 A. Right.</p> <p>21 Q. So there must be some market data</p> <p>22 that supports your high estimate, correct?</p> <p>23 A. I'm not arguing that a high</p> <p>24 estimate for a work is wrong. I'm arguing that</p> <p>25 making an assumption that the entirety of the</p>
<p style="text-align: right;">Page 286</p> <p>1 Michael Plummer</p> <p>2 A. I did not do that.</p> <p>3 Q. You didn't want to do that?</p> <p>4 MR. IRWIN: Form.</p> <p>5 MR. O'REILLY: Form.</p> <p>6 A. I didn't think it was relevant to</p> <p>7 do so.</p> <p>8 Q. But it was relevant to value them,</p> <p>9 as you suggested in your expert report you</p> <p>10 valued them, correct?</p> <p>11 It was relevant to get all that</p> <p>12 information that we just went through, correct?</p> <p>13 A. Correct.</p> <p>14 Q. Based on all of that information</p> <p>15 that was relevant to you, you do have a high</p> <p>16 range, correct?</p> <p>17 A. I do have a high range, yes. I</p> <p>18 would also add that in the art industry, it is</p> <p>19 generally common practice to base most decisions</p> <p>20 off of low estimates; not mid or not high, but</p> <p>21 low.</p> <p>22 Q. What you're doing here is simply</p> <p>23 basing your analysis on the mid and low.</p> <p>24 There's no business decision here, it's just</p> <p>25 your analysis, correct?</p>	<p style="text-align: right;">Page 288</p> <p>1 Michael Plummer</p> <p>2 collection would sell at the high estimate is</p> <p>3 not a solid premise for doing this analysis.</p> <p>4 Q. You don't have to do that to show</p> <p>5 the actual discounts off the high estimate. You</p> <p>6 can just have them there, then you can come to</p> <p>7 whatever conclusion you think is appropriate to</p> <p>8 apply to that.</p> <p>9 You could, in fact, have submitted</p> <p>10 a report to the Court that allowed the Court to</p> <p>11 say I see what the discounts are on the high</p> <p>12 estimate, I see what the discounts are on the</p> <p>13 mid-estimate, and I see what the discounts are</p> <p>14 on the low estimate. I'll say let's assume that</p> <p>15 only half of it sells for the high and only half</p> <p>16 of it sells for the low.</p> <p>17 But you didn't do that in your</p> <p>18 report. You didn't give the estimates for the</p> <p>19 high one, did you?</p> <p>20 MR. O'REILLY: Form.</p> <p>21 A. No, I do not.</p> <p>22 Q. So your calculation makes several</p> <p>23 conclusions, doesn't it? Let's look back on</p> <p>24 page 31.</p> <p>25 First of all, on page 31, paragraph</p>

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1 Michael Plummer
2 49 C, right, you assume that it would take 18
3 months to two years to adequately catalog the
4 collection in the first place, correct?

5 A. Yes.

6 Q. What's the basis of that
7 assumption?

8 A. Based on the preparations that went
9 into Albright-Knox and other sales. That you
10 have such a quantity of property that in order
11 to do the proper amount of research on its
12 salability, and how you want to sell it and plan
13 for the sale of it, plan for the marketing of
14 it, all of that would take an extended period of
15 time.

16 Q. Are you aware of the fact that the
17 DIA has had on other occasions other people look
18 at its collection, that may indeed have done
19 some of the cataloguing that you're talking
20 about here?

21 A. I know they've done the
22 cataloguing, that's not the same as the
23 cataloguing for sale. The cataloguing that's
24 already done would be used, but whoever was
25 selling it would want to evaluate it from the

1 Michael Plummer

2 say that it was an assumption.

3 Q. That assumption is based on, again,
4 your review of whatever materials you had,
5 correct?

6 A. Correct.

7 Q. Because you haven't spoken to
8 anyone at the DIA, correct?

9 A. Correct.

10 Q. Your next one is you assume that
11 the sales would take place through a public
12 rather than private auction?

13 A. Correct.

14 Q. What's the basis of that
15 assumption?

16 A. As I outlined elsewhere in the
17 report that most legal, court related, other
18 transactions or transparencies required are more
19 often than not done by auction, because if you
20 sell things privately there is a degree of
21 confidentiality involved that can allow for a
22 conflict of interest or a lack of transparency
23 on value.

24 If you sell something privately
25 your client is buying it privately because they

1 Michael Plummer
2 lens of selling it, and look for various
3 information that may not be included in the
4 museum cataloguing.

5 Q. So is it your --

6 A. And additional scholarship.

7 Q. Sorry, I didn't mean to interrupt.

8 A. No, just an additional scholarship.

9 Q. So is it your assumption then that
10 the DIA has not done prior cataloging for sale?

11 A. They haven't done sale cataloging
12 which is different.

13 Q. That's your assumption, correct?

14 A. No, it's my -- I've seen some of
15 their cataloguing and I don't think it's the
16 same as cataloguing it for sale.

17 Q. Did you speak to anyone at the DIA
18 about whether or not they had done other
19 cataloguing for sale prior to this?

20 A. No, I have not talked to them about
21 that.

22 Q. So you don't know that for a fact,
23 you are assuming that?

24 MR. IRWIN: Form.

25 A. I am assuming that, and I actually

1 Michael Plummer

2 don't want the price disclosed. It's hard for
3 me to imagine that you could sell works from the
4 DIA privately, without disclosing the prices,
5 how that could be accomplished with City-owned
6 property.

7 Q. You assume an annual expense of 6
8 million related to the storing and the
9 administering of the art collection, correct?

10 A. Yes.

11 Q. What's the basis of that
12 assumption?

13 A. That's my assumption based on the
14 size of the museum, the size of the collection,
15 insurance costs, heat, humidity control, all of
16 that; and it decreases over time as the
17 collection is sold off.

18 Q. Did you speak with anybody who's
19 currently involved in the storing and
20 administering of the art collection as to what
21 it's costing them to do it now?

22 A. I did not, no.

23 Q. Did you look at the publicly
24 available information on what those storage
25 costs are now?

<p style="text-align: right;">Page 293</p> <p>1 Michael Plummer</p> <p>2 A. I did not.</p> <p>3 Q. You assume a discount rate of</p> <p>4 12 percent based on the volatility of the</p> <p>5 market, correct?</p> <p>6 A. Correct.</p> <p>7 Q. What's the basis of that</p> <p>8 assumption?</p> <p>9 A. Going back to the art investment</p> <p>10 topic and the art investment funds, generally</p> <p>11 the 12 percent or higher number is expected by</p> <p>12 investors in the art market to compensate for</p> <p>13 the volatility of the market.</p> <p>14 Q. You reviewed the Barth report</p> <p>15 previously, correct?</p> <p>16 A. Yes.</p> <p>17 Q. Did you dispute what she suggests</p> <p>18 the closer percentage rate would be here for the</p> <p>19 discount rate based on the volatility?</p> <p>20 A. I completely dispute it. I don't</p> <p>21 think she has sufficient experience to weigh in</p> <p>22 on that matter.</p> <p>23 Q. Turn back to page 36 of your</p> <p>24 report.</p> <p>25 A. Okay. I would like to take a quick</p>	<p style="text-align: right;">Page 295</p> <p>1 Michael Plummer</p> <p>2 Q. On page 31, which contains your</p> <p>3 present value calculation, if you go back to</p> <p>4 that and take a look at it.</p> <p>5 I don't see where it includes -- I</p> <p>6 don't see where your present value calculation</p> <p>7 mentions the unsold rates. I'm trying to figure</p> <p>8 out what unsold rates apply?</p> <p>9 MR. IRWIN: Form.</p> <p>10 MR. O'REILLY: Objection to the</p> <p>11 form.</p> <p>12 A. I'm confused with what you're</p> <p>13 asking me.</p> <p>14 Q. I'll start again. The footnote</p> <p>15 says, "Unsold rates are included in the present</p> <p>16 value calculation"?</p> <p>17 A. Right.</p> <p>18 Q. Turn to page 31. I'm trying to</p> <p>19 understand it.</p> <p>20 A. Okay. Page 31.</p> <p>21 Q. It contains your present value</p> <p>22 calculation, correct?</p> <p>23 A. Right.</p> <p>24 MR. IRWIN: At page 31,</p> <p>25 assumptions.</p>
<p style="text-align: right;">Page 294</p> <p>1 Michael Plummer</p> <p>2 break.</p> <p>3 MR. SOTO: Sure.</p> <p>4 THE VIDEOGRAPHER: The time is</p> <p>5 5:01 p.m., and we're going off the record.</p> <p>6 (Short break taken)</p> <p>7 THE VIDEOGRAPHER: This begins</p> <p>8 media unit number 5, the time is 5:09 p.m., and</p> <p>9 we're back on the record.</p> <p>10 BY MR. SOTO:</p> <p>11 A. In your one of your last lines of</p> <p>12 questioning I had forgotten and misspoke. The</p> <p>13 \$6 million number was a number that I had gotten</p> <p>14 from Rich that was done at the DIA, the cost of</p> <p>15 holding the collection and storing it.</p> <p>16 Q. So \$6 million was indeed something</p> <p>17 that the DIA has estimated that would cost?</p> <p>18 A. Yes. I made a mistake.</p> <p>19 Q. That's perfectly appropriate to</p> <p>20 correct. I think we were going to page 36. Do</p> <p>21 you see that, Footnote 1?</p> <p>22 A. Um-hum.</p> <p>23 Q. It says, "Unsold rates included in</p> <p>24 present value calculation"?</p> <p>25 A. Um-hum.</p>	<p style="text-align: right;">Page 296</p> <p>1 Michael Plummer</p> <p>2 A. 49 C?</p> <p>3 Q. No, I'm beyond the assumptions.</p> <p>4 Maybe I'm using the wrong page.</p> <p>5 A. If you're looking for the present</p> <p>6 value charts they're in the back. It's 70 or</p> <p>7 71.</p> <p>8 Q. 70 is the one you used before and</p> <p>9 you have present value. It should be 71 I think</p> <p>10 for this one. So again, it's Table 9, page 71</p> <p>11 of 72. I see a present value of 1 million?</p> <p>12 A. 366?</p> <p>13 Q. Yes.</p> <p>14 A. And 850.</p> <p>15 Q. At the bottom. So where is the --</p> <p>16 I guess it's the?</p> <p>17 A. The unsold rate is the deduction</p> <p>18 144, 144, 144 and then the add-back is 115,740,</p> <p>19 115,740, so they're two different rows.</p> <p>20 Q. I see. So the deductions are the</p> <p>21 ones over here on the right, 7, 8, 9 and 10?</p> <p>22 A. Right.</p> <p>23 Q. And then the add-back is 010?</p> <p>24 A. Right.</p> <p>25 Q. So that explains that. Thank you.</p>

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<p style="text-align: right;">Page 297</p> <p>1 Michael Plummer 2 Going back to your assumptions on page 31. 3 Your calculations assume a discount 4 rate of 20 percent for not selling through 5 Christie's and Sotheby's, correct? 6 A. Um-hum. 7 Q. You testified about that earlier, 8 correct? 9 A. Um-hum. 10 Q. Then your calculations also assume 11 a discount rate of 50 percent for the market 12 disfavor of the American sector, correct? 13 MR. IRWIN: Are we supposed to be 14 following somewhere in the document? 15 MR. SOTO: Well yes, I was going 16 through the assumptions that start on page 31, 17 then I added to that the other assumptions that 18 he testified about earlier. 19 MR. IRWIN: The impression was that 20 we were following along on the page and it's not 21 tracking. 22 MR. SOTO: I'm sorry. Let me start 23 again. 24 Q. So in addition to the assumptions 25 that you list here in your chart, which is C:</p>	<p style="text-align: right;">Page 299</p> <p>1 Michael Plummer 2 Q. You did not apply the discount for 3 the American sector disfavor? 4 A. Correct. 5 Q. You did not apply the discount for 6 the market crash? 7 A. Correct. 8 Q. Are you familiar with what has been 9 referred to as the grand bargain? 10 A. Yes. 11 Q. Are you aware that the DIA has 12 pledged a \$100 million contribution to the 13 museum? 14 A. Yes. 15 Q. Maybe I should say the DIA Corp. 16 has pledged a \$100 million contribution to the 17 museum? 18 A. Yes. 19 Q. Would you agree that your 20 valuation, without applying any discount 21 factors, far exceeds the 100 million 22 contribution? 23 MR. IRWIN: Form. 24 A. I don't know. I am not following 25 your logic, nor do I understand what you're</p>
<p style="text-align: right;">Page 298</p> <p>1 Michael Plummer 2 "I use the following assumptions in 3 calculating present value discount." You used 4 those, correct? 5 A. Um-hum. 6 Q. Beyond those present value discount 7 assumptions you also apply other discounts, 8 correct? 9 One that you testified about at 10 length was the fact that look, there's a 11 disfavor for the American sector, correct? 12 A. I do not apply that in the present 13 value scenario. 14 Q. You just applied that in general? 15 A. No. I applied that only in 16 scenario B, which is sort of just a straight 17 illustrative, illustration of application of 18 things; but I do not apply that in scenario C or 19 D. 20 Q. In determining the present value 21 you did not apply the other discounts? 22 A. No. 23 Q. So you did not apply the discount 24 for the Sotheby's or Christie's -- 25 A. No.</p>	<p style="text-align: right;">Page 300</p> <p>1 Michael Plummer 2 asking. 3 Q. The valuation you have, if you 4 don't apply your discounts to it; the valuation 5 you have of the art exceeds the \$100 million 6 contribution that's being pledged by the DIA 7 Corp., correct? 8 A. Yes. 9 Q. Would you agree that even in the 10 worst-case scenario that you present, the value 11 of the DIA collection far exceeds the \$100 12 million pledged by the DIA Corp.? 13 MR. O'REILLY: Form. 14 A. Yes. 15 Q. Let's look at pages 39 and 40 of 16 your report. On pages 39 and 40 you critique 17 the bids that were received by Houlihan for the 18 collection, correct? 19 A. Correct. 20 Q. What's the basis for your critique? 21 MR. O'REILLY: Form. 22 A. Looking at the -- what was in the 23 Houlihan Lokey materials in terms of what was on 24 offer. 25 Q. I might have asked you this about</p>

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1 Michael Plummer
2 some of them, but let me ask you about all. Did
3 you contact any of the proposed bidders that
4 were included in the Houlihan report?

5 A. No, I did not.

6 Q. Let's turn to your critique of
7 Christie's recommendations that are on page 42.
8 Do you see that?

9 A. Um-hum.

10 Q. You say that Christie's was, by the
11 time they completed this section of their
12 report, dis-incentivized to develop this line of
13 argument fully, possibly due to market backlash
14 from the DIA and other market participants. Do
15 you see that?

16 A. Um-hum.

17 Q. What's the basis for that
18 statement?

19 A. As I said, the comment by someone
20 at Christie's who was off the record.

21 Q. That's it?

22 A. Well, and also my own reading of
23 those proposals and how flimsy they were and
24 un-flushed out, as I say here. They didn't
25 really seem like they were given anything other

1 Michael Plummer
2 than a passing thought. There were no expenses,
3 no revenues, no timelines; it was just really a
4 cursory examination.

5 Q. Did you speak with the person who
6 put that analysis together at Christie's to
7 discuss --

8 A. I did not.

9 MR. IRWIN: Let him finish.

10 Q. -- to discuss with that person what
11 he was intending to do with these potential
12 alternatives?

13 A. I did not.

14 Q. Have you since you read their
15 report?

16 A. I have not.

17 Q. On page 42, paragraph 69, you state
18 further that Christie's "no longer has in-house
19 intellectual capital to conduct their
20 monetization analysis." Do you see that?

21 A. Um-hum.

22 Q. What's the basis of that statement?

23 A. I was an in-house at Intellectual
24 Capital and I am no longer with the firm, and my
25 business partner Jeff as well.

1 Michael Plummer
2 Q. So it's your position that in its
3 current iteration, Christie's does not have the
4 capability to do this analysis?

5 A. Yes.

6 Q. Did you talk to anybody at
7 Christie's about that opinion?

8 MR. O'REILLY: Form.

9 A. Let's just say I am aware of their
10 searches for staff and whatnot and know that
11 they are -- they do not have that capital,
12 intellectual capital.

13 Q. Would you be surprised to find out
14 that they disagree with that statement?

15 A. No, I'm not surprised at all.

16 Q. You mentioned that Christie's
17 Financial Services Group was terminated in 2009,
18 correct?

19 A. Correct.

20 Q. And that's who you worked for,
21 correct?

22 A. Correct.

23 Q. Is there no one else at Christie's
24 capable of conducting an assessment of
25 monetization alternatives for a museum, in your

1 Michael Plummer
2 opinion?

3 A. I don't think that -- if there is,
4 they certainly didn't do it in this exercise.

5 Q. So in terms of the alternative to
6 monetization schemes that you referred to, your
7 evaluation assumes they will be sold, correct?

8 A. I'm sorry, can you ask that again,
9 please?

10 Q. Your evaluation and all of your
11 values and your charts assume the art is going
12 to be sold, correct?

13 MR. IRWIN: Form.

14 A. I am not sure. I can't answer that
15 question in that way that you asked it because
16 what I do is value the collection if it were to
17 be sold. I'm not assuming that it's being sold.

18 Q. Let me ask it differently then.
19 Your valuations are based on a proposed sale of
20 the art, correct?

21 A. These are results that would be the
22 result of a sale, but I'm not assuming it will
23 be sold.

24 Q. But they're based on a proposed
25 sale, correct?

<p style="text-align: right;">Page 305</p> <p>1 Michael Plummer</p> <p>2 A. Correct.</p> <p>3 Q. Did you consider, aside from</p> <p>4 critiquing Christie's alternatives to a sale;</p> <p>5 did you consider alternatives to a sale ways to</p> <p>6 monetize the art collection at the DIA, other</p> <p>7 than a sale?</p> <p>8 A. I did not.</p> <p>9 Q. Have you or Artvest ever</p> <p>10 participated in the collateralization of</p> <p>11 artworks?</p> <p>12 A. What do you mean by that?</p> <p>13 Q. You talked about being involved in</p> <p>14 loans before, art loans you called them?</p> <p>15 A. Right.</p> <p>16 Q. To me that means the art is being</p> <p>17 used as collateral for a loan, correct?</p> <p>18 A. Correct.</p> <p>19 Q. So have you or Artvest ever</p> <p>20 participated in the collateralization of any</p> <p>21 artwork in any form, whether it's in a loan or</p> <p>22 some other way?</p> <p>23 A. Are you asking me if I played a</p> <p>24 role in art being used as collateral in a loan?</p> <p>25 Q. Yes.</p>	<p style="text-align: right;">Page 307</p> <p>1 Michael Plummer</p> <p>2 Q. Is it your testimony that based on</p> <p>3 those valuations, you think the most they could</p> <p>4 get is 50 percent of those valuations because</p> <p>5 it's a loan?</p> <p>6 MR. O'REILLY: Objection to the</p> <p>7 form.</p> <p>8 A. Under standard lending practices</p> <p>9 they would only be able to get 50 percent.</p> <p>10 According to the offer from Art Capital Group</p> <p>11 he's offering 20 percent, which is a really low</p> <p>12 number in our practices.</p> <p>13 Whenever a loan is discussed the</p> <p>14 issue that I keep coming back to is who is going</p> <p>15 to service the debt, which is substantial, and</p> <p>16 who's going to pay off the loan, because I'm</p> <p>17 working through a bankruptcy situation right now</p> <p>18 with a client, if the loan isn't paid off the</p> <p>19 lender gets to sell the art.</p> <p>20 So, in effect, if you have a loan</p> <p>21 for let's say half of the value of the</p> <p>22 collection and you can't pay that back,</p> <p>23 basically you have sold that collection to the</p> <p>24 lender for half of the value of its worth.</p> <p>25 Q. Let me see if I'm understanding</p>
<p style="text-align: right;">Page 306</p> <p>1 Michael Plummer</p> <p>2 A. Yes, many times.</p> <p>3 Q. You've testified about -- you</p> <p>4 guesstimated at a number, but you testified</p> <p>5 about your work with art lenders during your</p> <p>6 testimony today, correct?</p> <p>7 MR. O'REILLY: Form.</p> <p>8 Q. Correct?</p> <p>9 A. Correct.</p> <p>10 Q. How much would you advise the City</p> <p>11 of Detroit it could get as a loan using the</p> <p>12 DIA's entire collection as collateral?</p> <p>13 A. Well, I think that presupposes I</p> <p>14 would advise them to do that.</p> <p>15 Q. No, it doesn't, I'm just asking you</p> <p>16 the question. Assuming there was going to be a</p> <p>17 loan, how much would you advise the City of</p> <p>18 Detroit it could get as a loan if it used the</p> <p>19 DIA's collection as collateral?</p> <p>20 A. I can't answer that without knowing</p> <p>21 where the funds would come from and how they</p> <p>22 would be paid back.</p> <p>23 Q. You have the valuations that you</p> <p>24 went through, correct?</p> <p>25 A. I understand that.</p>	<p style="text-align: right;">Page 308</p> <p>1 Michael Plummer</p> <p>2 your testimony here. So what you're saying then</p> <p>3 is if you were going to take a loan against the</p> <p>4 art of the DIA, it's your view that you would</p> <p>5 probably be limited to 50 percent of the</p> <p>6 valuations that you gave, correct?</p> <p>7 MR. IRWIN: Asked and answered.</p> <p>8 Q. That's one of the parts of the</p> <p>9 answer, correct?</p> <p>10 A. Correct.</p> <p>11 Q. The other part of the answer is you</p> <p>12 would have to be able to put together some sort</p> <p>13 of a plan to pay for the cost of that loan,</p> <p>14 correct?</p> <p>15 A. Correct.</p> <p>16 Q. Both the interest on the loan and</p> <p>17 ultimately to pay the loan back, correct?</p> <p>18 A. Correct.</p> <p>19 Q. So, in essence, if there were a</p> <p>20 Plan of Adjustment that were put together for</p> <p>21 the City of Detroit in connection with a Chapter</p> <p>22 9 proceeding, that indeed took into account</p> <p>23 whatever the cost of the loan would be, and the</p> <p>24 repayment of the loan over whatever is the</p> <p>25 appropriate period of time negotiated by the</p>

77 (Pages 305 to 308)

<p style="text-align: right;">Page 309</p> <p>1 Michael Plummer</p> <p>2 parties, you would expect that they could then</p> <p>3 possibly get a loan for 50 percent of the value</p> <p>4 of the art as you've valued it, correct?</p> <p>5 MR. IRWIN: Form.</p> <p>6 A. Yeah, if they have a strategy that</p> <p>7 accomplishes all of those things.</p> <p>8 Q. Give me a second because I think</p> <p>9 you've answered a lot of this. This is</p> <p>10 something that I don't know that you testified</p> <p>11 about but I'm not understanding, maybe you have.</p> <p>12 On page 43, paragraph 71 G?</p> <p>13 A. 70 G.</p> <p>14 Q. Oh, yeah, sorry. It says, it seems</p> <p>15 to say:</p> <p>16 "Most asset-backed lenders have</p> <p>17 extreme provisions for the lender in a situation</p> <p>18 of default, levying both higher interest rates</p> <p>19 and onerous "agency" fees to liquidate the</p> <p>20 property."</p> <p>21 So here all you're saying is look,</p> <p>22 if there were a default, the typical asset-based</p> <p>23 lender or art lender has these kinds of</p> <p>24 provisions; that's all you're saying?</p> <p>25 A. Well, yes; but I perhaps could have</p>	<p style="text-align: right;">Page 311</p> <p>1 Michael Plummer</p> <p>2 how long it would take, where the money would</p> <p>3 come from. The fact that most other</p> <p>4 institutions having already very aggressive and</p> <p>5 ambitious development plans which are outlined</p> <p>6 below.</p> <p>7 It was my opinion that this was an</p> <p>8 idea that was not substantiated in any way,</p> <p>9 shape or form and that also would take an</p> <p>10 enormous amount of time to implement, and it</p> <p>11 wasn't discussed how it could be done in an</p> <p>12 expeditious way.</p> <p>13 Q. But you recognize that there are</p> <p>14 many very young museums that have just been</p> <p>15 created throughout the country, correct?</p> <p>16 A. Yes, but that doesn't mean they're</p> <p>17 funded well enough to come up with the kinds of</p> <p>18 moneys that you're talking about.</p> <p>19 Q. And also throughout the world, I</p> <p>20 don't know why I limit it to the country --</p> <p>21 we've board them, that's all right, I'm still</p> <p>22 interested.</p> <p>23 A. There are. But again, I think it's</p> <p>24 an idea that is not flushed out well enough to</p> <p>25 be taken seriously.</p>
<p style="text-align: right;">Page 310</p> <p>1 Michael Plummer</p> <p>2 gone on to say more, which is that oftentimes</p> <p>3 those default terms are vaguely written and</p> <p>4 clients end up in default unknowingly or</p> <p>5 unwillingly.</p> <p>6 Q. If there is going to be some kind</p> <p>7 of a monetization of the art, like through a</p> <p>8 loan or something like that, you should get</p> <p>9 lawyers like the ones you have here for the DIA</p> <p>10 to help them make sure that that doesn't happen,</p> <p>11 correct?</p> <p>12 A. Or ones like you.</p> <p>13 Q. Have you or anyone else at Artvest</p> <p>14 ever participated in the creation of a</p> <p>15 masterpiece trust?</p> <p>16 A. No, I haven't.</p> <p>17 Q. On page 45 of your report you say</p> <p>18 the creation of a Masterpiece Trust to be</p> <p>19 accessed by members of a museum consortium is</p> <p>20 too blue-sky.</p> <p>21 Am I reading that right? It says</p> <p>22 too blue-sky to be substantively helpful?</p> <p>23 A. Yes.</p> <p>24 Q. What is the basis of that opinion?</p> <p>25 A. Well, because they did not describe</p>	<p style="text-align: right;">Page 312</p> <p>1 Michael Plummer</p> <p>2 Q. Are you aware of any meaningful</p> <p>3 masterpiece trusts that have been put in place</p> <p>4 by other museums?</p> <p>5 A. I am not. That doesn't mean they</p> <p>6 may not exist, but I am not.</p> <p>7 Q. Did you do any studies to determine</p> <p>8 whether there were any other masterpiece trusts</p> <p>9 being used by museums in the world to monetize</p> <p>10 their art?</p> <p>11 A. I did not.</p> <p>12 Q. Have you or Artvest ever</p> <p>13 participated in structuring long-term leases of</p> <p>14 artwork?</p> <p>15 A. No.</p> <p>16 Q. What experience do you or Artvest</p> <p>17 have in connection with structuring long-term</p> <p>18 leases of artwork at all?</p> <p>19 A. We haven't, that's not in our line</p> <p>20 of business.</p> <p>21 Q. On page 44, paragraph 71, you</p> <p>22 state:</p> <p>23 "This option would have the same</p> <p>24 effect of depriving the DIA of some of its most</p> <p>25 prized works, yet for far less of a financial</p>

78 (Pages 309 to 312)

<p style="text-align: right;">Page 313</p> <p>1 Michael Plummer 2 benefit. Based on deals made with other partner 3 museums, Guggenheim Museum & Bilbao, Guggenheim 4 & Abu Dhabi and the Louvre & Abu Dhabi, such an 5 arrangement would be unlikely to net more than 6 20 million to 100 million in total for a 10 to 7 15 year deal and would result in the removal of 8 many high value works from the walls of the 9 DIA." 10 Do you see that? 11 A. Yes. 12 Q. What is the basis of that opinion? 13 A. The situations I lay out below, A 14 through E. 15 Q. Other than what you lay out in A 16 through E, is there anything else that you base 17 that opinion on? 18 A. F through G. 19 Q. Okay. Other than A through G, is 20 there anything else? 21 A. No. 22 Q. So I read A through G, and I'm 23 wondering where did the calculations come from 24 that you used to come up with the numbers that 25 you have here, were they in some public</p>	<p style="text-align: right;">Page 315</p> <p>1 Michael Plummer 2 institution." 3 A. Did I prepare any? 4 Q. Did you do any analysis to support 5 that conclusion? 6 A. I did not. 7 Q. Did you speak to any donors -- 8 A. Let me correct that. You threw me 9 off with the question. As I said, I did talk to 10 several museum people, which I cannot divulge 11 because they were off-the-record conversations. 12 Q. Did you speak to any donors 13 regarding their interest in a sale and permanent 14 loan program? 15 A. I did not speak to any donors, but 16 I did speak to an expert on donors who was 17 responsible for many of the major gifts at 18 various museums and has a tremendous insight 19 into donor mentality. 20 Q. Who was that? 21 A. Again, it was an off-the-record 22 conversation. 23 Q. So other than the off-the-record 24 conversation that you're referring to, did you 25 do any additional analysis?</p>
<p style="text-align: right;">Page 314</p> <p>1 Michael Plummer 2 documents? 3 A. They were in the documents 4 referenced here. They're in several of the 5 press reports. 6 Q. So other than what you sent us and 7 what you referenced, the press reports, that's 8 what you relied on? 9 A. That's what I relied upon. 10 Q. Have you or Artvest ever 11 participated in the sale and permanent loan of 12 artwork? 13 A. That's a confusing question. The 14 sale and permanent loan, are you meaning to 15 combine both as to one question? 16 Q. I think what I'm referring to here 17 on page 46, Christie's recommendation 4? 18 A. Yes. I see what you're asking. 19 No, we have not. I have not. 20 Q. Did you conduct any analysis before 21 you arrived at the conclusion that you state in 22 paragraph 75? And I'm reading it: 23 "It is hard to imagine how this 24 type of program would attract a new type of 25 donor who is not already supporting the</p>	<p style="text-align: right;">Page 316</p> <p>1 Michael Plummer 2 A. No, I did not. 3 Q. Have you or Artvest ever 4 participated in coordinating, and you may have 5 because you worked with the fair, in 6 coordinating a traveling exhibition? 7 A. In coordinating a traveling 8 exhibition? 9 Q. Yes. 10 A. No, we have not. 11 Q. On page 46 of paragraph 76. You 12 state: 13 "By Christie's own admission, this 14 a less than desirable alternative, as such 15 expositions are "costly to mount" and raise very 16 little relative to their total expense." Do you 17 see that? 18 A. Yes. 19 Q. And it goes on to state "Such 20 revenues range from as little as 20,000 for 21 small exhibitions to 600,000 for blockbuster 22 exhibitions." 23 What is the basis of that 24 statement? 25 A. The museum administrative officials</p>

79 (Pages 313 to 316)

<p style="text-align: right;">Page 317</p> <p>1 Michael Plummer</p> <p>2 that I referred to previously have handled the</p> <p>3 budgets for such exhibits.</p> <p>4 Q. Is that someone that you can't</p> <p>5 divulge at this point?</p> <p>6 A. It's in that same group of people I</p> <p>7 mentioned before.</p> <p>8 Q. So you state that you have -- other</p> <p>9 than that statement, you've had no experience</p> <p>10 with any of these traveling, whatever they call</p> <p>11 it, traveling exhibitions, correct?</p> <p>12 A. Back in my Acoustiguide days I</p> <p>13 actually was dealing with the financial -- I was</p> <p>14 working with the museums and their setting up of</p> <p>15 those exhibitions, and their profits that they</p> <p>16 expected to get from their audio tours and other</p> <p>17 things, and their attendance numbers based on</p> <p>18 the exhibition and that sort of thing. So I did</p> <p>19 have experience back in that part of my career.</p> <p>20 Q. That would have been a long time</p> <p>21 ago, correct?</p> <p>22 A. That would have been a long time</p> <p>23 ago.</p> <p>24 Q. Counting for inflation and other</p> <p>25 expenses, you're not aware of what they cost</p>	<p style="text-align: right;">Page 319</p> <p>1 Michael Plummer</p> <p>2 million the DIA has already committed as its</p> <p>3 contribution to the grand bargain." Do you see</p> <p>4 that?</p> <p>5 A. Um-hum.</p> <p>6 Q. What's the basis for that</p> <p>7 statement?</p> <p>8 A. What I've laid out in the report</p> <p>9 thus far.</p> <p>10 Q. Other than what you've testified</p> <p>11 about today and what you've laid out in your</p> <p>12 report; is there any other source or information</p> <p>13 you're relying on for that opinion?</p> <p>14 A. I have nothing supplemental to</p> <p>15 provide here today.</p> <p>16 Q. Other than what you've testified</p> <p>17 about today and what you referred to in your</p> <p>18 report, you haven't done any additional</p> <p>19 analysis?</p> <p>20 A. Not other than what is here and</p> <p>21 I've testified to.</p> <p>22 Q. Were you asked to render an opinion</p> <p>23 regarding the cultural impact of the museum, the</p> <p>24 DIA, on the City of Detroit?</p> <p>25 A. No.</p>
<p style="text-align: right;">Page 318</p> <p>1 Michael Plummer</p> <p>2 now, are you?</p> <p>3 A. Yes, I am, because these numbers</p> <p>4 came from talking to museum people this year,</p> <p>5 just recently.</p> <p>6 Q. Is there any either publicly</p> <p>7 available or privately available study or data</p> <p>8 that you can refer to for the basis of your</p> <p>9 calculation?</p> <p>10 A. No.</p> <p>11 Q. Other than the conversation you</p> <p>12 had, correct?</p> <p>13 A. Correct.</p> <p>14 Q. Do you know what that person was</p> <p>15 basing it on?</p> <p>16 A. They were basing it on their own</p> <p>17 in-house experience of exhibitions.</p> <p>18 Q. So on page 48 of your report.</p> <p>19 Looking at paragraph C:</p> <p>20 "My review of the practicality and</p> <p>21 the reasonableness of the monetization</p> <p>22 alternatives described in Christie's preliminary</p> <p>23 report to the City of Detroit: They do not have</p> <p>24 a reasonable expectation of either raising</p> <p>25 meaningful money or exceeding even the \$100</p>	<p style="text-align: right;">Page 320</p> <p>1 Michael Plummer</p> <p>2 Q. Looking at page 48, paragraph 78.</p> <p>3 It says as I'm reading it:</p> <p>4 "Rather than being a source of cash</p> <p>5 to creditors or a burden on the current city, in</p> <p>6 fact, the DIA is the single, most important</p> <p>7 cultural asset the City currently owns for</p> <p>8 rebuilding the vitality of the City." Do you</p> <p>9 see that?</p> <p>10 A. I do.</p> <p>11 Q. Did you write that statement?</p> <p>12 A. I did.</p> <p>13 Q. What is the basis of that</p> <p>14 statement?</p> <p>15 A. My opinion.</p> <p>16 Q. Your personal opinion?</p> <p>17 A. My personal opinion based on my</p> <p>18 years of experience in the art industry.</p> <p>19 Q. That opinion isn't dealing with</p> <p>20 anything to do with the art industry, it's</p> <p>21 dealing with the cultural impact of the museum</p> <p>22 on the City of Detroit, correct?</p> <p>23 A. It's dealing with the DIA as an art</p> <p>24 institution and the impact of art institutions</p> <p>25 in the city.</p>

80 (Pages 317 to 320)

<p style="text-align: right;">Page 321</p> <p>1 Michael Plummer</p> <p>2 Q. What experience do you have in</p> <p>3 valuing cultural assets like the statement you</p> <p>4 made there?</p> <p>5 A. I don't have experience.</p> <p>6 MR. SOTO: I don't have any other</p> <p>7 questions. I thank you very much Mr. Plummer</p> <p>8 for your patience with me. Any other questions</p> <p>9 from anyone?</p> <p>10 MR. O'REILLY: No questions.</p> <p>11 MR. SOTO: Anyone on the phone? In</p> <p>12 which case this concludes our deposition. You</p> <p>13 have a right to review the testimony, and in</p> <p>14 reviewing it you can certainly fix grammatical</p> <p>15 errors, things that you see as misspellings or</p> <p>16 things like that, things that you think might</p> <p>17 have been taken down wrong.</p> <p>18 You don't get to substantively</p> <p>19 change your testimony, unless of course you say</p> <p>20 no I meant not, and there's no not in there,</p> <p>21 then that's a different issue. So you'll get a</p> <p>22 chance to do that and you can coordinate that</p> <p>23 with your counsel.</p> <p>24 THE WITNESS: Okay.</p> <p>25 THE VIDEOGRAPHER: The time is 5:45</p>	<p style="text-align: right;">Page 323</p> <p>1 ERRATA</p> <p>2 I, MICHAEL PLUMMER, wish to make the</p> <p>3 following changes, for the following reasons:</p> <p>4 PAGE LINE</p> <p>5 _____ CHANGE: _____</p> <p>6 REASON: _____</p> <p>7 _____ CHANGE: _____</p> <p>8 REASON: _____</p> <p>9 _____ CHANGE: _____</p> <p>10 REASON: _____</p> <p>11 _____ CHANGE: _____</p> <p>12 REASON: _____</p> <p>13 _____ CHANGE: _____</p> <p>14 REASON: _____</p> <p>15 _____ CHANGE: _____</p> <p>16 REASON: _____</p> <p>17 _____ CHANGE: _____</p> <p>18 REASON: _____</p> <p>19 _____</p> <p>20 _____</p> <p>21 WITNESS' SIGNATURE DATE</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>
<p style="text-align: right;">Page 322</p> <p>1 Michael Plummer</p> <p>2 p.m. August 1, 2014, this completes today's</p> <p>3 video deposition of Michael Plummer.</p> <p>4 (Time Noted: 5:45 p.m.)</p> <p>5</p> <p>6 -----</p> <p>7 MICHAEL PLUMMER</p> <p>8</p> <p>9 Subscribed and sworn to before me</p> <p>10 this day of , 2014.</p> <p>11</p> <p>12 -----</p> <p>13 Notary Public</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p style="text-align: right;">Page 324</p> <p>1 C E R T I F I C A T E</p> <p>2</p> <p>3 I, Roberta Caiola, a Shorthand</p> <p>4 Reporter and Notary Public within and</p> <p>5 for the State of New York, do hereby</p> <p>6 certify:</p> <p>7</p> <p>8 That the statements, colloquy</p> <p>9 and testimony contained herein is a</p> <p>10 true record of the proceedings in this</p> <p>11 matter.</p> <p>12</p> <p>13 I further certify that I am</p> <p>14 not related to any of the parties</p> <p>15 involved in this proceeding, and that</p> <p>16 I am in no way interested in the</p> <p>17 outcome of this matter.</p> <p>18</p> <p>19</p> <p>20 -----</p> <p>21 ROBERTA CAIOLA</p> <p>22 Dated: August 3, 2014</p> <p>23</p> <p>24</p> <p>25</p>

81 (Pages 321 to 324)

Exhibit C

1 UNITED STATES BANKRUPTCY COURT
2 EASTERN DISTRICT OF MICHIGAN
3 SOUTHERN DIVISION

4 In re:)
5 CITY OF DETROIT, MICHIGAN,)
6 Debtor.) Chapter 9
7 vs.) Case No. 13-53846
8 -----) Hon. Steven W. Rhodes

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12
13 VIDEOTAPED DEPOSITION OF ELIZABETH VON HABSBURG

14 New York, New York

15 Thursday, July 31, 2014
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24 Reported by:
25 MICHELLE COX
JOB NO. 215820

<p style="text-align: right;">Page 102</p> <p>1 A Correct.</p> <p>2 Although one would have to take into</p> <p>3 account whether there is duress in a time</p> <p>4 period. But it's outside of the scope of</p> <p>5 opinion. So I didn't -- I don't have a good</p> <p>6 opinion on that.</p> <p>7 MR. O'REILLY: Let's take a break.</p> <p>8 Let's go off the record.</p> <p>9 THE VIDEOGRAPHER: This concludes Tape</p> <p>10 No. 1. The time is 11:12 a.m. We're off the</p> <p>11 record.</p> <p>12 (Recess taken.)</p> <p>13 THE VIDEOGRAPHER: This begins Tape No. 2.</p> <p>14 The time is 11:19 a.m. We're back on the</p> <p>15 record.</p> <p>16 BY MR. O'REILLY:</p> <p>17 Q You said that marketable cash value</p> <p>18 requires a reduction to make it net to seller,</p> <p>19 correct?</p> <p>20 A That's correct.</p> <p>21 Q What are those items that would have to be</p> <p>22 considered to make it net to seller?</p> <p>23 A The buyer's premium that the auction house</p> <p>24 puts on the hammer price, would be taken off.</p> <p>25 Any selling commissions on the part of the</p>	<p style="text-align: right;">Page 103</p> <p>1 seller, insurance charges, shipping charges,</p> <p>2 illustration fees, and any other costs that are</p> <p>3 associated with selling a Work of Art.</p> <p>4 Q In a typical fine art transaction, are you</p> <p>5 able to give me a percentage of how much of a</p> <p>6 reduction that would be to the seller from, I</p> <p>7 guess, the sale price to what the seller</p> <p>8 actually nets?</p> <p>9 A It depends on the level of value. The</p> <p>10 higher the value, the lower the percentage</p> <p>11 reduction. The lower the value the higher the</p> <p>12 percentage reduction.</p> <p>13 So in the case of a work that is, say,</p> <p>14 over \$2 million, the buyer's premium, if you're</p> <p>15 going to a Sotheby's or a Christie's type</p> <p>16 auction house or a Phillips, or any of the</p> <p>17 major auction houses, the buyer's premium would</p> <p>18 be approximately 12 percent. The seller's</p> <p>19 commission, at that high level, may be zero,</p> <p>20 but it could be up to, say, 5 percent,</p> <p>21 approximately. I'm giving approximates.</p> <p>22 There's an insurance charge, which at the</p> <p>23 higher level would probably be waived. So that</p> <p>24 would not come off. That would not be charged.</p> <p>25 There would be illustration fees. But at</p>
<p style="text-align: right;">Page 104</p> <p>1 the higher level, those may be waived. So</p> <p>2 there's nothing there.</p> <p>3 Shipping fees, which may have been charged</p> <p>4 at a lower value would probably not be charged</p> <p>5 at a higher value.</p> <p>6 So you're basically talking around, the</p> <p>7 high level works, around 12, 13 percent that</p> <p>8 would come off. At the lower value you are</p> <p>9 talking somewhere in -- by "lower value," it</p> <p>10 could be all the way down to \$500, \$200 or</p> <p>11 \$100; you're talking about probably a buyer's</p> <p>12 premium of up to 25 percent or so, that would</p> <p>13 come off.</p> <p>14 A seller's commission, that could be up to</p> <p>15 25 percent, and other fees: Insurance, might</p> <p>16 be one and a half percent; shipping charges;</p> <p>17 illustration fees, those would all come off.</p> <p>18 So you can't give a precise one. For</p> <p>19 every value, it changes depending on value.</p> <p>20 Q You aren't here to give an opinion on the</p> <p>21 amount of reductions there would be to get to</p> <p>22 net -- net to seller price or marketable cash</p> <p>23 value, correct?</p> <p>24 A That's correct.</p> <p>25 Q But you said that for works that are high</p>	<p style="text-align: right;">Page 105</p> <p>1 value you can have, for example, a buyer's</p> <p>2 premium -- I'm sorry.</p> <p>3 Is it the buyer's premium or the seller's</p> <p>4 commission that is 12 percent?</p> <p>5 A Buyer's premium.</p> <p>6 Q So the seller would have to consider</p> <p>7 reducing its expectations, if you will, from</p> <p>8 fair market value from at least that 12 percent</p> <p>9 to understand what their net would be, correct?</p> <p>10 A Yes, in a hypothetical manner.</p> <p>11 Q You've never been involved with a sale of</p> <p>12 \$1.7 billion of art, have you?</p> <p>13 A No.</p> <p>14 Q Do you have any reason to know what the --</p> <p>15 whether there would be a buyer's premium or a</p> <p>16 seller's charge -- strike that question.</p> <p>17 I think you said that -- you were offering</p> <p>18 me examples of buyer's premiums by Christie's;</p> <p>19 is that right?</p> <p>20 A Christie's or Sotheby's. These are</p> <p>21 approximate.</p> <p>22 Q Approximately 10 percent, or for the high</p> <p>23 value.</p> <p>24 It could be higher for low value, right?</p> <p>25 A Yes. Approximately 12 percent, highest</p>

<p style="text-align: right;">Page 106</p> <p>1 level, at Christie's and Sotheby's, and I 2 believe Phillips as well. And higher for a 3 lower value, generally. 4 Q If you applied that 12 percent discount to 5 1.75 billion, what's the number? 6 A I would need my calculator to give you 7 that number. 8 Q Does 200 million sound about right? 9 A Give me a calculator and I'll tell you. 10 Q Okay. You have no reason to dispute that 11 that would be charged in a transaction for a 12 sale of 1.75 billion dollars of art, right? 13 A Well, there are probably exceptions. 14 Q You personally have no factual information 15 to dispute that, correct? 16 A There are exceptions for high level Works 17 of Art where the seller gets a rebate part of 18 the buyer's premium. 19 Q That's negotiated between the parties who 20 are selling and the auction house, correct? 21 A Correct. 22 Q So you wouldn't know one way or the other 23 whether it could be included or not, correct? 24 A That's correct. 25 Q It would have to be worked out between the</p>	<p style="text-align: right;">Page 107</p> <p>1 two, correct? 2 A Yes. 3 Q When you listed the factors that you would 4 have to consider to get to the marketable cash 5 value, you didn't mention blockage discount, 6 right? 7 A Right. 8 Q Under USPAP, are there circumstances where 9 you would have to consider blockage discount? 10 A Under USPAP and under the IRS regulations, 11 yes. 12 Q Are you here in this case to form any 13 opinion on whether or not a blockage discount 14 applies to a sale of art at the DIA? 15 A Sorry. Can you rephrase that question? I 16 lost track. 17 Q You're being offered as an expert. I'm 18 just trying to figure out if you are going to 19 provide an opinion as an expert on whether a 20 blockage discount should be applied to a sale 21 of art at the DIA. 22 A I'm not here to do that. 23 Q Under USPAP, would you be required to 24 disclose if you're applying a blockage discount 25 to your marketable cash value assessment?</p>
<p style="text-align: right;">Page 108</p> <p>1 A Yes. 2 Q In your experience, would you have to 3 consider whether a blockage discount is 4 appropriate if you tried to sell 594 works at 5 the museum -- sorry, 582? 6 A Selling is different from appraisals. 7 So if you're appraising Works of Art, you 8 do decide whether blockage discount is 9 appropriate or not. 10 Q Right. 11 But you haven't formed an opinion on that, 12 correct, for the 582 that you appraised? 13 A We did not use blockage discount. 14 Q Okay. Would you apply blockage discount 15 to get the marketable cash value for 60,000 16 works in a collection? 17 A It depends on what was in the collection. 18 Q What about the DIA collection? 19 A I haven't looked at the whole collection. 20 But generally blockage discounts are used when 21 there are Works of Art by the same artist of 22 the same type in an artist's estate. 23 That's the primary use for blockage 24 discount. 25 Q In your experience, would it be</p>	<p style="text-align: right;">Page 109</p> <p>1 appropriate to consider it if you were doing a 2 marketable cash value assessment for a 3 collection of 60,000? 4 A It would be appropriate to look into it. 5 Q Would a sale of 100 master works 6 potentially depress the market? 7 A Broad question. 8 But I can say that if they were 100 9 individually fantastic Works of Art, probably 10 not, depending on how long you had to sell them 11 and what that group consisted of. 12 Q If you tried to sell them all at once and 13 they were high quality, would it have the 14 potential to depress the market? 15 A If you had to sell them all in one day, 16 you would want to consider various options for 17 those works: Auction, private sale, regional 18 sales. 19 So it really depends on what those Works 20 of Art are before I can make that 21 determination. 22 Q Do you know Todd Levin at the Levin Art 23 Group? 24 A I don't. 25 Q So you said it depends.</p>

<p style="text-align: right;">Page 110</p> <p>1 Am I correct that you don't have an 2 opinion, sitting here today, whether a sale of 3 100 high value works at the museum would 4 depress the market? 5 A I don't have an opinion on that. 6 Q You said that you don't do liquidation 7 value, right? 8 A Correct. 9 Q Do you have a sense of when a liquidation 10 value is appropriate? 11 A I don't. We don't use it. 12 Q Okay. Do you know what factors would have 13 to be considered in a liquidation value 14 appraisal? 15 A No. 16 Q So you have no opinion one way or the 17 other about what factors might have to be 18 considered to understand what the liquidation 19 value of a collection would be? 20 A Correct. 21 Q And you don't have the expertise to do it 22 either, correct? 23 A We were never asked to do it. If we were 24 asked to do it we might investigate it and see 25 if we have the expertise to do it.</p>	<p style="text-align: right;">Page 111</p> <p>1 Q But sitting here today you don't have 2 those expertise, correct? 3 A I don't know. I've never been asked to do 4 it. 5 Q Well, now I'm a little confused. 6 So you've never done it before. And 7 you've told me you can't opine about it. But 8 you're saying that if you were asked to do it 9 you might learn enough to do it? 10 A We'd investigate what factors are called 11 into a liquidation value appraisal, and then 12 see if we were able to do it. 13 Q Have you been asked to do such an 14 appraisal? 15 A No. 16 Q Sitting here today, do you expect to do 17 such an appraisal? 18 A Not that I know of. 19 Q And this is your final report, correct? 20 A That's correct. 21 Q You used a market comparison approach in 22 doing your FMV, correct? 23 A Comparable market data approach, yes. 24 Q Sorry. 25 Can you use such an approach when you</p>
<p style="text-align: right;">Page 112</p> <p>1 don't use comparables? 2 Yeah. 3 So -- so in your report, which you used a 4 comparable market value approach, you mentioned 5 that some of them didn't have comparables. 6 I may be misreading or misremembering. 7 MR. RUEGGER: Page 7. 8 MR. O'REILLY: Page 7, my colleague says. 9 A Page 7. Oh, this is the report you're 10 talking about? 11 BY MR. O'REILLY: 12 Q Yeah. Your expert report -- 13 A My expert report. 14 Q -- which you signed -- 15 A Yes. 16 Q -- on Page 7. 17 At the bottom of the top paragraph, says: 18 Due to rarity, there are some items for which 19 no comparables exist. In these cases our 20 specialists offered their reasoning as to 21 valuation. In the occasional case items were 22 not valued for reasons stated in the document." 23 So you'd agree with me, then, that you 24 performed a comparable market value approach, 25 but where you didn't have comparables, you</p>	<p style="text-align: right;">Page 113</p> <p>1 relied upon your professional judgment? 2 A That's correct. There were no direct 3 comparables, yes. 4 Q What's the distinction there? 5 You said "direct comparables"? 6 A Normally, every Work of Art has something 7 by that artist or by that work master that can 8 be very closely compared. But sometimes 9 something is so much better than other works on 10 the market or so rare that you have to use 11 comparables that are outside those direct 12 comparables and go to your market knowledge of 13 other artists who have crafted or painted or 14 made works that are similar, or what you 15 presume to be the market for something that is 16 so outside the norm. 17 Q When you say "outside the norm" -- well, 18 first of all, do you know which objects didn't 19 have comparables? 20 A They all had some kind of comparable. 21 They may not have had an auction comparable or 22 a direct artist comparable. But they wouldn't 23 have -- there was reasoning behind what the 24 appraisers did to compare it to other objects 25 or other Works of Art --</p>

Exhibit D

<p style="text-align: right;">Page 1</p> <p>1 Vanessa Fusco</p> <p>2 IN THE UNITED STATES BANKRUPTCY COURT</p> <p>3 FOR THE EASTERN DISTRICT OF MICHIGAN</p> <p>4</p> <p>5</p> <p>6 In Re:) Chapter 9</p> <p>7</p> <p>8</p> <p>9 CITY of DETROIT, MICHIGAN,) Case No. 13-53846</p> <p>10</p> <p>11 Debtor.) Hon. Steven Rhodes</p> <p>12</p> <p>13 -----X</p> <p>14</p> <p>15</p> <p>16 Videotaped Deposition of VANESSA FUSCO</p> <p>17 Taken at 919 Third Avenue</p> <p>18 New York, New York</p> <p>19 Commencing at 9:13 a.m.</p> <p>20 Friday July 25, 2014</p> <p>21 Before Roberta Caiola</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p style="text-align: right;">Page 3</p> <p>1 Vanessa Fusco</p> <p>2 A P P E A R A N C E S:</p> <p>3</p> <p>4 MICHAEL J. PATTWELL, ESQ.</p> <p>5 Clark Hill, PLC</p> <p>6 212 East Grand River</p> <p>7 Lansing, Michigan 48906</p> <p>8 Appearing on behalf of the Retirement</p> <p>9 Systems for the City of Detroit</p> <p>10 (Telephonic Appearance)</p> <p>11</p> <p>12 ALSO PRESENT:</p> <p>13 CAROLINE MOUSTAKIS, Christie's</p> <p>14 Vice President, Senior Counsel</p> <p>15 Dispute Resolution</p> <p>16 MICHAEL GOCKSCH</p> <p>17 JOSE RIVERA - Video Technician</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>
<p style="text-align: right;">Page 2</p> <p>1 Vanessa Fusco</p> <p>2 A P P E A R A N C E S:</p> <p>3</p> <p>4 ERICH O. GROSZ, ESQ.</p> <p>5 SARAH K. GARVEY-POTVIN, ESQ.</p> <p>6 WILLIAM H. TAFT, V, ESQ.</p> <p>7 DEBEVOISE & PLIMPTON, LLP</p> <p>8 919 Third Avenue</p> <p>9 New York, New York 10022</p> <p>10 Attorneys for Christie's</p> <p>11</p> <p>12 GEOFFREY S. IRWIN, ESQ.</p> <p>13 ALEXANDER E. BLANCHARD, ESQ.</p> <p>14 Jones Day</p> <p>15 51 Louisiana Avenue, N.W.</p> <p>16 Washington, D.C. 20001</p> <p>17 Appearing on behalf of the</p> <p>18 Debtor and The Witness</p> <p>19</p> <p>20 EDWARD SOTO, ESQ.</p> <p>21 Weil, Gotshal & Manges, LLP</p> <p>22 1395 Brickell Avenue - Suite 1200</p> <p>23 Miami, Florida 33131-3368</p> <p>24 Appearing on behalf of Financial</p> <p>25 Guaranty Insurance Company</p> <p>ARTHUR T. O'REILLY, ESQ.</p> <p>SCOTT KITEI, ESQ. (Telephonic Appearance)</p> <p>Honigman Miller Schwartz & Cohn LLP</p> <p>2290 First National Building</p> <p>660 Woodward Avenue</p> <p>Detroit, Michigan 48226-3506</p> <p>Appearing on behalf of the</p> <p>Detroit Institute of Arts</p> <p>ARTHUR H. RUEGGER, ESQ.</p> <p>JOHN BYRNES, Intern</p> <p>Dentons US, LLP</p> <p>1221 Avenue of the Americas</p> <p>New York, New York 10020-1089</p> <p>Appearing on behalf of the</p> <p>Retiree Committee</p>	<p style="text-align: right;">Page 4</p> <p>1 Vanessa Fusco</p> <p>2 THE VIDEOGRAPHER: This is media</p> <p>3 unit number 1 in the video deposition of Vanessa</p> <p>4 Fusco, in the matter of In Re: City of Detroit</p> <p>5 Michigan, Debtor, in the United States</p> <p>6 Bankruptcy Court for the Eastern District of</p> <p>7 Michigan, case number 13-53846.</p> <p>8 This deposition is being held at</p> <p>9 Debevoise & Plimpton LLP, 919 Third Avenue, New</p> <p>10 York, New York, on July 25, 2014 at</p> <p>11 approximately 9:13 a.m.</p> <p>12 My name is Jose Rivera from the</p> <p>13 firm of Elisa Dreier Reporting Corp. and I am</p> <p>14 the legal video specialist. The court reporter</p> <p>15 is Roberta Caiola, in association with Elisa</p> <p>16 Dreier Reporting Corp. located at 950 Third</p> <p>17 Avenue, New York, New York.</p> <p>18 Will the court reporter please</p> <p>19 swear in the witness.</p> <p>20 THE COURT REPORTER: Raise your</p> <p>21 right hand please. Do you swear the testimony</p> <p>22 that you are about to give will be the truth,</p> <p>23 the whole truth, and nothing but the truth?</p> <p>24 THE WITNESS: Yes.</p> <p>25 VANESSA FUSCO, having been duly sworn by the</p>

Pages 1 to 4

<p style="text-align: right;">Page 185</p> <p>1 Vanessa Fusco</p> <p>2 Q. I was going to go back and ask you.</p> <p>3 Were any of them for the purpose of sale?</p> <p>4 A. Yes.</p> <p>5 Q. Would that be one of the ones that</p> <p>6 you did from 2010 through 2011-2014, correct?</p> <p>7 A. Yes.</p> <p>8 Q. In connection with the collection</p> <p>9 that you valued for purposes of sale, how large</p> <p>10 a collection in terms of the number of works of</p> <p>11 art was that?</p> <p>12 MR. IRWIN: Do you mean among the?</p> <p>13 MR. SOTO: Yes.</p> <p>14 MR. IRWIN: His prior examples.</p> <p>15 A. Of those six prior examples three</p> <p>16 were for the purposes of sale.</p> <p>17 Q. And?</p> <p>18 A. And how many objects were included?</p> <p>19 Q. Yes.</p> <p>20 A. Again, I don't have the data at my</p> <p>21 fingertips, but from my memory the smallest was</p> <p>22 6 or 700 objects and the largest between 1,500</p> <p>23 and 2,000.</p> <p>24 MR. GROSZ: Would you like to take</p> <p>25 a break?</p>	<p style="text-align: right;">Page 187</p> <p>1 Vanessa Fusco</p> <p>2 Q. Does it make a difference if you're</p> <p>3 valuating each piece of art in isolation, as you</p> <p>4 just mentioned earlier, as opposed to as the</p> <p>5 whole group; does that make a difference in the</p> <p>6 valuation?</p> <p>7 A. It can make a difference, yes.</p> <p>8 Q. And how, how can it make a</p> <p>9 difference?</p> <p>10 A. One must be conscious of presenting</p> <p>11 too many works at once that are similar in</p> <p>12 nature or that only have a limited pool of</p> <p>13 buyers, essentially flooding the market.</p> <p>14 Q. So in general terms, if you're</p> <p>15 looking at a group of art like the 1,700 or so</p> <p>16 pieces that you valued in the DIA collection,</p> <p>17 would a valuation of the entire group for fair</p> <p>18 market value purposes as you were asked to do</p> <p>19 here, would it be greater or lesser if it was</p> <p>20 done for the whole group as opposed to each</p> <p>21 individual piece?</p> <p>22 MR. IRWIN: There's a</p> <p>23 mischaracterization here, a disconnect; maybe</p> <p>24 the witness can clarify.</p> <p>25 A. Can you repeat that?</p>
<p style="text-align: right;">Page 186</p> <p>1 Vanessa Fusco</p> <p>2 THE WITNESS: Yes.</p> <p>3 MR. GROSZ: Now?</p> <p>4 MR. SOTO: Absolutely.</p> <p>5 THE VIDEOGRAPHER: The time is 2:25</p> <p>6 p.m. and we're going off the record.</p> <p>7 (Short recess taken)</p> <p>8 THE VIDEOGRAPHER: This begins</p> <p>9 media unit number 4, the time is 2:42 p.m. and</p> <p>10 we're back on the record.</p> <p>11 BY MR. SOTO:</p> <p>12 Q. Ms. Fusco, before the break you had</p> <p>13 mentioned something about analyzing art in</p> <p>14 isolation as opposed to analyzing art as a whole</p> <p>15 group of art.</p> <p>16 I think you said, correct me if I'm</p> <p>17 wrong, that the work you did in connection with</p> <p>18 your valuation for the DIA for the City, of the</p> <p>19 DIA art owned by the City was done for each</p> <p>20 isolated piece of art, correct?</p> <p>21 A. That's correct.</p> <p>22 Q. Explain to the Court what that</p> <p>23 means. You looked at one piece of art and</p> <p>24 valued that piece of art by itself, correct?</p> <p>25 A. Yes, that's what that means.</p>	<p style="text-align: right;">Page 188</p> <p>1 Vanessa Fusco</p> <p>2 Q. What I'm trying to figure out is</p> <p>3 you have a valuation that you've given to the</p> <p>4 City of Detroit and the Court is going to be</p> <p>5 looking at it in connection with 1,700 pieces,</p> <p>6 correct?</p> <p>7 MR. O'REILLY: Objection,</p> <p>8 mischaracterizes.</p> <p>9 A. Christie's did a formal appraisal</p> <p>10 of 1,700 pieces in the COD collection.</p> <p>11 Q. And you valued each of those</p> <p>12 pieces, you gave a value to each of those</p> <p>13 pieces, correct?</p> <p>14 A. Of those 1,700 pieces, yes.</p> <p>15 Q. If I'm understanding you, and I</p> <p>16 want to know if there is a disconnect you tell</p> <p>17 me, you did that in isolation for each piece as</p> <p>18 you just described it, correct?</p> <p>19 A. That's correct.</p> <p>20 Q. Would that value or would the value</p> <p>21 for those pieces differ if you did it as a</p> <p>22 group? That's the question.</p> <p>23 MR. O'REILLY: Objection to form.</p> <p>24 A. If we were to consider -- there are</p> <p>25 segments of the collection that if we were to</p>

Pages 185 to 188

<p style="text-align: right;">Page 189</p> <p>1 Vanessa Fusco</p> <p>2 consider putting on the market and were</p> <p>3 instructed to do so all at once, we would</p> <p>4 generally in that case apply a discount.</p> <p>5 Q. For each piece?</p> <p>6 A. Because -- yes, for each piece,</p> <p>7 because there's only a limited pool of buyers</p> <p>8 for certain categories of art, and if you put</p> <p>9 works on the market all at once and flood that</p> <p>10 capacity of those buyers you might net a lower</p> <p>11 value than if a single work were to go on the</p> <p>12 market at once.</p> <p>13 Q. Looking at paragraph 21, the second</p> <p>14 sentence says:</p> <p>15 "Christie's valuation provided fair</p> <p>16 market values using an industry standard</p> <p>17 appraisal methodology the market data approach.</p> <p>18 We decided that specialists should provide a</p> <p>19 range of fair market values."</p> <p>20 That's consistent with what you</p> <p>21 testified about earlier, correct?</p> <p>22 A. Yes.</p> <p>23 Q. It says here:</p> <p>24 "Christie's made no assumptions</p> <p>25 about the hypothetical sale process, nor did we</p>	<p style="text-align: right;">Page 191</p> <p>1 Vanessa Fusco</p> <p>2 what we refer to in the industry as hammer</p> <p>3 prices, meaning what the work sells for in the</p> <p>4 room and not with the addition of a commission</p> <p>5 that Christie's collects for providing -- for</p> <p>6 putting that work on the market.</p> <p>7 Q. So now I'm switching to something I</p> <p>8 might understand. If you have the value of a</p> <p>9 home, for example, and you gave someone the fair</p> <p>10 market value of the home; am I right that what</p> <p>11 this means is we're just giving you the value of</p> <p>12 the home. We're not telling you what you might</p> <p>13 have to pay a broker if you have to pay a</p> <p>14 commission to get it sold, is that what you mean</p> <p>15 by that?</p> <p>16 MR. IRWIN: Form.</p> <p>17 A. Please say that again.</p> <p>18 Q. So if you own a home and you have a</p> <p>19 fair market value that's been determined for</p> <p>20 that home, as you determine the fair market</p> <p>21 value for the 700 pieces.</p> <p>22 Is that sentence meaning we did not</p> <p>23 include in our valuation any additional money</p> <p>24 that might have to be paid for a broker in order</p> <p>25 to get a sale accomplished; is that what you</p>
<p style="text-align: right;">Page 190</p> <p>1 Vanessa Fusco</p> <p>2 take into account any commissions, buyers</p> <p>3 premiums or potential financial agreements</p> <p>4 between the buyer, seller and/or venue that</p> <p>5 could affect the final price realized."</p> <p>6 Do you see that sentence?</p> <p>7 A. Um-hum.</p> <p>8 Q. It then goes on and says:</p> <p>9 "We also did not assume any</p> <p>10 discounts that might apply, if for example</p> <p>11 numerous COD works were to be sold at one time."</p> <p>12 So this last sentence is what you</p> <p>13 were just referring to, correct?</p> <p>14 A. Correct.</p> <p>15 Q. What about the sentence before</p> <p>16 where it says:</p> <p>17 "Christie's made no assumptions</p> <p>18 about the hypothetical sale process, nor did we</p> <p>19 take into account any commissions, buyers</p> <p>20 premiums or potential financial agreements."</p> <p>21 Do you see that?</p> <p>22 A. Yes.</p> <p>23 Q. What was that referring to?</p> <p>24 A. The fair market values provided --</p> <p>25 the range of fair market values provided are</p>	<p style="text-align: right;">Page 192</p> <p>1 Vanessa Fusco</p> <p>2 mean by that?</p> <p>3 MR. IRWIN: Form.</p> <p>4 A. What I mean is that we did not</p> <p>5 include a commission that Christie's would</p> <p>6 normally take for a sale of values of this</p> <p>7 works -- sorry, for a sale of these works at</p> <p>8 this value range.</p> <p>9 Q. So what you're simply saying in</p> <p>10 your expert report that you didn't say in your</p> <p>11 valuation is here is the fair market value as</p> <p>12 you defined it, which is consistent with the</p> <p>13 IRS's fair market value; but if you want to sell</p> <p>14 those you might have to pay a commission. So</p> <p>15 you may not net out the fair market value, you</p> <p>16 may have to pay a commission; is that what</p> <p>17 you're saying?</p> <p>18 MR. IRWIN: I would also object.</p> <p>19 Your representation is that it was not -- it's</p> <p>20 here but it's not elsewhere, was that the</p> <p>21 beginning of your question?</p> <p>22 MR. SOTO: No. Strike that. I'll</p> <p>23 start again.</p> <p>24 BY MR. SOTO:</p> <p>25 Q. You put together a fair market</p>

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